MANPOWER REPORT of the PRESIDENT

including

A REPORT ON MANPOWER REQUIREMENTS, RESOURCES, UTILIZATION, AND TRAINING

BY THE UNITED STATES DEPARTMENT OF LABOR

TRANSMITTED TO THE CONGRESS JANUARY 1969

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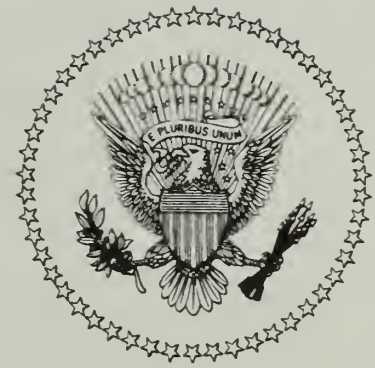

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MANPOWER MESSAGE OF THE PRESIDENT

To the Congress of the United States:

It is with great pride that I submit this, the final *Manpower Report* of my Presidency. It describes the most favorable employment record in many years and the policies and programs that have made this progress possible. It also sets forth the agenda for further improvements in the use of the Nation's manpower and for continued economic prosperity.

This report records the Nation's ability and continuing progress to meet one of the most basic needs of its people and represents a valid gage of the Nation's essential strength.

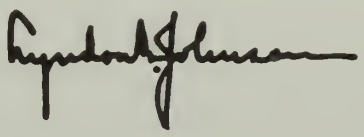
The overriding significance of the report is found in its concern for people, the most precious resource of this Nation—teenagers with futures to build, men and women with families to feed and house and educate, elderly citizens with productive years still ahead.

I commend this report to your careful attention as the profile of America at work today. It is a record of promises made, of achievements, and of hopes aroused. A new sense of dignity, a new chance for fulfillment, a new vision of the future have touched the lives of many millions because of what these pages tell.

Although there is ample cause for satisfaction in this report, there is none for complacency. What we have accomplished helps to describe the dimensions of what is still undone. But those achievements, incomplete as they are, also serve to show us what *can* be done.

With a strong economy as the lifeline, special manpower programs—those we have tried and those still to be tested in the years ahead—can help men and women whom the economy would otherwise bypass.

The road we are on is a long one. But the milestones we have already passed tell us it is the right road.



THE WHITE HOUSE,
January 19, 1969.

REPORT ON MANPOWER REQUIREMENTS, RESOURCES, UTILIZATION, AND TRAINING BY THE U.S. DEPARTMENT OF LABOR

Willard Wirtz, *Secretary*

LETTER OF TRANSMITTAL

Washington, D.C., January 13, 1969.

THE PRESIDENT

Dear Mr. President: I have the honor to present herewith a report pertaining to manpower requirements, resources, utilization, and training, as required by section 107 of the Manpower Development and Training Act of 1962, as amended.

Respectfully,

Wirtz

Secretary of Labor.

326-575 O—69——2

ACKNOWLEDGMENTS

This report was prepared by the Department of Labor's Manpower Administration, in cooperation with the other Bureaus and Offices of the Department. The Bureau of Labor Statistics furnished major portions of the text for Part I, The Employment Record, and also contributed to the chapter on Manpower Research and to the Statistical Appendix. The Office of Policy Planning and Research prepared the chapter on Implementing and Coordinating Manpower Programs and contributed to that on America's Unfinished Manpower Agenda. The Office of Federal Contract Compliance and the Women's Bureau also supplied material for the report.

The Office of Education of the Department of Health, Education, and Welfare contributed significantly to the analysis and text of the chapter on Manpower Development Through the Schools and also furnished material for the chapter on Manpower Research. In addition, important contributions to various chapters were made by the Department of Commerce through the Bureau of the Census; the Department of Defense through the Office of the Assistant Secretary of Defense (Manpower and Reserve Affairs); the Department of Health, Education, and Welfare through the Public Health Service and the Social and Rehabilitation Service; the Department of the Interior through the Bureau of Indian Affairs; the Civil Service Commission; the National Science Foundation; and the Office of Economic Opportunity. Individuals in a number of other agencies reviewed the text and made many helpful suggestions.

The Department of Labor's Office of Information, Publications and Reports designed the graphic materials.

INTRODUCTION:

AN ACTIVE MANPOWER POLICY— ITS GENESIS AND IMPLEMENTATION

AN ACTIVE MANPOWER POLICY—ITS GENESIS AND IMPLEMENTATION

This seventh annual report by the Department of Labor on manpower requirements, resources, utilization, and training recounts the rapid development of a national manpower policy and the progress made toward full, productive, and satisfying employment for American workers.

An active manpower policy was enunciated in the *1964 Manpower Report of the President.* It has far-reaching objectives—to enhance the welfare of workers by maximizing their skills and the quantity and quality of their employment opportunities and, in so doing, to add to the country's economic strength.

The record of accomplishment in moving toward these objectives was built upon the current economic expansion—a sustained growth in business and employment without precedent in magnitude or duration. This expansion has brought a marked reduction in the overall rate of unemployment and rising levels of living for most workers and their families. But the gains shared by the great majority have also thrown into sharper focus the plight of those bypassed by the general prosperity and have lowered the threshold of tolerance for economic and social disadvantage.

As the President said in 1964 in outlining the programs through which an active manpower policy should be implemented:

> These programs will . . . succeed only when we become determined that nothing is to take priority over people . . . that nobody is to be passed by.
>
> What is at stake is whether a free democratic economy can attain well-being for the less fortunate as well as the more fortunate of its people . . . .[1]

The present report assesses the manpower record of the 1960's from this viewpoint. It discusses the significant advances made and the policies and programs which have contributed to them. It is concerned also with the major continuing needs in the manpower field, and points to those which are now high on the agenda for national action.

ANTECEDENTS OF PRESENT MANPOWER PROGRAMS

Recent progress toward manpower objectives—in meeting workers' needs for training and employment and employers' needs for qualified workers—has been the product of innovative, cooperative action by government agencies at all levels, by private industry, and by nonprofit organizations. The role of the Federal Government in this joint effort has been chiefly one of leadership and enlarged financial aid, made possible by the landmark new programs in manpower and related fields authorized by the Congress.

In stimulating and supplementing State and local efforts to improve education, training, and manpower utilization, these new federally supported programs follow a pattern of action extending far back in this country's history. Federal aid to higher education began more than 100 years ago,

[1] *1964 Manpower Report,* p. xix.

with the Morrill Act of 1862 and its grants of land for agricultural colleges, which laid the foundation for higher education in the Western States. The Federal-State program of vocational education, now the largest source of formal training for nonprofessional occupations, dates back half a century to the Smith-Hughes Act of 1917. The shortages of skilled workers during World War I spurred congressional approval of this act and its authorization of Federal aid to broad categories of vocational education.

The Federal-State Employment Service system, which has a central and critical role in implementing present manpower programs, was a product of the Great Depression. It was created by the Wagner-Peyser Act of 1933 to provide a more effective mechanism for matching workers and jobs—as vitally needed in dealing with today's complex manpower problems as it was in efforts to mitigate the mass unemployment of the 1930's.

The depression also brought Government action in three other areas of current importance in manpower policy:

—Provision for income maintenance for unemployed and retired workers under the Social Security Act of 1935—with the aim of maintaining purchasing power and stabilizing the economy, besides giving workers and their families some protection against interruption of income.

—Establishment of national minimum wage and child labor standards for large segments of the work force under the Fair Labor Standards Act of 1938—the first major legislative expression of Federal concern for these aspects of labor standards.

—Creation of work opportunities for unemployed, impoverished youth and adults—through several programs, including the Civilian Conservation Corps and the National Youth Administration. These programs were all temporary, but the record of their accomplishments and shortcomings helped in the planning of the Job Corps, the Neighborhood Youth Corps, and other current work-training programs.

The next major forerunner of present manpower policy was the Servicemen's Readjustment Act of 1944—the GI bill of rights. This act continued a tradition of recognizing the country's obligation to its war veterans which dates back to the American Revolution, but it was unprecedented in its emphasis on meeting these obligations through education and training rather than merely monetary compensation or a veteran's bonus. It represented a pathfinding effort to help workers adapt to a changing employment environment—from military to civilian jobs—by Government-financed education and skill development.

A more direct move toward an active manpower policy came 2 years later, with the Employment Act of 1946. This act was born from memory of the depression and the fear—soon proved to be unfounded—that the war's end would bring a serious recession and raise unemployment to intolerably high levels once again.

The act made the achievement of "maximum employment, production and purchasing power" a national objective and a specific concern of the Federal Government, " . . . with the assistance and cooperation of industry, agriculture, labor, and State and local governments." It underscored the conviction of the American people that the high human and social costs of unemployment warrant Government action as and when needed to prevent depressions and speed expansion of employment and income. But the act contained no mandatory provision for achieving maximum employment.

For a number of years after its passage, Government efforts to forward its objective took the form chiefly of limited fiscal and monetary measures to prevent recessions or stimulate business recovery, and there was little public demand for more affirmative action. Recessions were of moderate severity during this period, and the Korean war brought several years of actual labor shortages.

The period of relative complacency and inaction about manpower problems came to an abrupt halt in the late 1950's. Two events made the year 1957 a turning point.

One was the launching of Sputnik, which suddenly focused national attention on our race with the Soviet Union in space and nuclear technology. It became evident practically overnight that highly qualified workers—especially but not merely scientific and technical personnel—hold the key to national security, as well as economic growth and well-being. This was so evident that within a few months the Congress passed the National Defense Education Act of 1958, providing for a new program of fellowships and other Federal aid to scientific and technical education.

The second event—the recession of 1957–58—

brought unemployment to its highest levels since the 1930's. The unemployment rate reached 6.8 percent in 1958, more than half again as high as the year before. Nor did the rate decline satisfactorily with economic recovery. Unemployment averaged 5.5 percent in both 1959 and 1960. The recession which began late in 1960 brought the rate up again to 6.7 percent the following year.

This persistence of a high overall rate of unemployment was by itself cause for grave concern. And along with it came an increasing amount of long-duration unemployment, entailing extreme hardship for great numbers of workers and their families. The heavy impact of unemployment upon youth and minority groups, among the uneducated and unskilled, and in many depressed areas also added to the demand for positive remedial action.

THE ARA, THE MDTA, AND THE START OF AN ACTIVE MANPOWER POLICY

A new federally supported attack on these critical problems began with the Area Redevelopment Act of 1961. This act proclaimed the national interest in bringing greater economic prosperity to depressed areas. It provided for financial and technical assistance to business expansion in areas of substantial and persistent unemployment with satisfactory economic redevelopment plans. The primary focus of the act was on stimulation of economic growth, as a means of generating employment in the redevelopment areas. But it also had another feature of great significance from a manpower viewpoint—namely, its provision for occupational training projects for unemployed workers in these areas, with subsistence allowances to support the workers and their families during training. Because of limitations on its funding and coverage, the ARA had a limited impact, but it furnished guidelines for more comprehensive training and economic development legislation.

Passage of the Manpower Development and Training Act in 1962 was the chief legislative step toward formulation of a national manpower policy. This act, which was passed with strong bipartisan support, declares that ". . . there is a critical need for more and better trained personnel in many vital occupational categories . . .; that even in periods of high unemployment, many employment opportunities remain unfilled because of the shortages of qualified personnel; and that it is in the national interest that current and prospective manpower shortages be identified and that persons who can be qualified for these positions through education and training be sought out and trained as quickly as is reasonably possible, in order that the Nation may meet the staffing requirements of the struggle for freedom."

The act accordingly established a nationwide program of occupational training for unemployed and underemployed workers. It called for and underwrote a significant expansion in manpower research, in order to develop the information and insights needed to guide manpower policy and programs. And it required annual reports by the Secretary of Labor to the President, and by the President to Congress, on manpower requirements, resources, utilization, and training. The act also made possible special experimental and demonstration projects to develop new and more effective ways of reaching and training the disadvantaged.

The announcement of an active manpower policy in the second *Manpower Report* in 1964 was an early outcome of the act and a highly important step in carrying out its purposes. To meet the problem of persistent unemployment and other challenges on the way to full and creative use of the Nation's human resources, new attitudes and efforts were called for, geared to three fundamental goals:

—To develop workers' abilities.

—To create jobs which will make the most of these abilities.

—To match workers and jobs.

A series of measures aimed at each of these objectives was outlined.

Since that time, changing economic and social conditions have led to shifting and emerging manpower problems. Manpower policy must clearly be a dynamic instrument, attuned to needed changes in priorities and techniques. But the three basic goals that were set in 1964 still chart the course of manpower action, and notable progress has been made in all three directions with the aid of many new and strengthened programs in manpower, education, and related fields. The following highlights on legislative and program developments and accomplishments indicate both the wide range and the strong innovative thrust of recent efforts to relieve critical manpower problems and to move toward the Nation's manpower goals.

DEVELOPING ABILITIES

In the development of abilities, manpower policy must have as its ultimate aim enabling every American to realize and utilize his full potential. This implies concern not only for occupational training but also for education at all levels, and for rehabilitation and other special services to those handicapped by physical, mental, cultural, or other disadvantages.

Occupational Training

Over a million unemployed and underemployed workers were enrolled in *training projects set up under the Manpower Development and Training Act* from its beginning in August 1962 through June 1968.

When the act was passed, there was wide concern about automation and its effects in creating unemployment and in making workers' skills obsolete. At the same time, shortages of skilled labor were reported by many employers. The new training projects were designed to meet both problems simultaneously by preparing the unemployed for occupations with a current or prospective demand for workers.

The first year's experience under the act led to several amendments designed to make it a more effective instrument for training of the groups with the most critical unemployment problems. Because of the extremely high rate of youth unemployment (17 percent among teenagers in 1963), a much enlarged program of youth training was authorized. And since lack of education was quickly found to be a prevalent obstacle to occupational training of the hard-core unemployed, provision was made for basic education of MDTA trainees when needed as part of their occupational preparation.

Additional amendments to the MDTA in 1963, 1965, and 1966 further increased the flexibility and effectiveness of the program in providing the kinds of training and supportive services essential to equip the disadvantaged for employment. These amendments helped to make possible the formal redirection of the program announced in 1966. It was then decided that 65 percent of the total MDTA effort would be directed to training of the disadvantaged, with the other 35 percent devoted to meeting the need for trained personnel in occupations with skill shortages.

Renewed expression of congressional intent to regard the MDTA as a living law always responsive to changing needs was given in 1968, with the passage of a number of important amendments to the act. The amendments applying to the regular training programs extended authority for operation of these programs to 1972, and stressed the need for greater use of skill-training centers, which promise improved program effectiveness. States were given more authority to approve and initiate training programs under their own auspices, when these meet specifications prescribed by the Departments of Labor and Health, Education, and Welfare. Appropriations were authorized for new supplemental programs when needed to improve the effectiveness of and correct imbalances in services for the disadvantaged provided through existing programs; this new program requires the States to pay a higher share of the cost than is applicable to traditional MDTA skill development activities. Funds to provide specialized training of persons in management and administration of manpower programs were authorized for the first time. Other amendments should help greatly in improving program administration, and will also make possible strengthened factfinding and informational systems (as discussed below).

Since the beginning of the program, most MDTA training has been given through the vocational schools. But on-the-job training projects in private industry have expanded rapidly. In fiscal 1968, nearly half of all MDTA trainees (125,000) were in OJT projects, compared with only 1 out of 8 (9,000) 4 years ago. These projects have increasingly proved their effectiveness as a gateway to employment of the disadvantaged, as well as less handicapped workers, but they have lagged behind the school-based projects in the proportion of disadvantaged trainees.

The *JOBS* (*Job Opportunities in the Business Sector*) *Program* launched in 1968 is another new partnership between business and government in training and employing disadvantaged workers. Spearheaded by an organization of leading business executives, the National Alliance of Businessmen, this program represents the latest stage in an effort to mobilize the country's resources to insure that every American who wants and needs work can find it, and at a decent wage.

The immediate goal is the hiring of 100,000 disadvantaged workers—with private business providing the jobs, training, and special services

needed to enable these workers to make a satisfactory job adjustment, and Government underwriting the extra costs (over and above those normally involved in hiring and training new workers). It is expected that this goal will be met in early 1969, well ahead of the June 1969 target date. The long-range goal is the employment of 500,000 disadvantaged workers by June 1971.

Vocational education in the public schools is a major source both of formal job training and of prevocational preparation. By making possible a great strengthening and reorientation of this branch of education, the two recent Vocational Education Acts, of 1963 and 1968, have opened the door to improved work preparation for millions of young people and to better opportunities for part-time training of adults seeking to update their skills.

Enrollments in federally aided vocational programs have risen sharply—from 4.6 million in fiscal 1964 (just before the 1963 act was funded) to 8.2 million in 1968. But these figures only begin to tell the story.

Vocational education can now be given, with Federal aid, in any nonprofessional occupation, not merely in specific occupational categories as before 1963. Programs must be closely geared to job market requirements. They provide training for both youth and adults with widely different backgrounds and capacities, ranging from those too handicapped physically, mentally, or culturally to benefit from regular programs to those able to embark immediately on post-high school, technical training. In addition, the 1968 act authorizes new and enlarged programs of combined school and work and other promising innovations.

If these potentialities are fulfilled—including the provision of expanded opportunities for educational experience through work—vocational courses can be the source of occupational preparation and, at the same time, a high school education for increasing numbers of young people who are not academically inclined. They can thus help mightily in building the needed new bridges between school and employment.

Elementary and Secondary Education

Lack of basic education—of ability even to read and write—is a major cause of poverty, as well as a bar to occupational training for large numbers of youth and adults.

The war on poverty, launched under the *Economic Opportunity Act of 1964*, accordingly included remedial education programs for both young children and adults:

—*Operation Head Start*, which has given 2.7 million preschool children in poverty areas a better start in school by reducing their cultural handicaps. The results show that, with adequate program resources, real opportunity to develop their abilities can be opened to even greatly disadvantaged children.

—The *Adult Basic Education Program*, for people aged 18 and over whose lack of communication and computational skills lessens their employment potential. Although begun as part of the war on poverty, this program was separately authorized by the Adult Basic Education Act of 1966. About 1.3 million people with less than 8 years of schooling, or with similarly low educational accomplishment despite longer schooling, have benefited from the program during the past 4 years. About 10,000 enrollees have moved on to job training each year.

To give undereducated children better preparation for life and work, the Congress also enacted the *Elementary and Secondary Education Act of 1965*. This historic legislation represents by far the greatest Federal commitment to improvement of elementary and secondary education. The special assistance authorized for school districts with high concentrations of poor children has helped to improve education for 9 million disadvantaged boys and girls in over 18,000 school districts throughout the country. In addition, roughly 90 percent of all the Nation's school children have been helped by the support provided for innovative projects, library and instructional materials, research, and other programs.

Higher Education

These gains in education for the underprivileged have been paralleled by advances of great magnitude and import in professional education and higher education generally. Spurred by the intensifying shortages of qualified personnel reported in many professions and by the rapid rise in the

number of young people seeking to enter college, the Congress authorized greatly increased support to higher education through an unprecedented series of legislative measures. Most important were:

—The *Higher Education Facilities Act of 1963*, which provided aid for construction and improvement of college facilities.

—The *Higher Education Act of 1965*, which not only expanded support for construction but also made possible financial aid to students and other kinds of help.

These acts, coupled with the amended National Defense Education Act, have made tremendous contributions to higher educational opportunity, including:

—Aid to over half the Nation's colleges and universities in providing space for an additional 800,000 college students.

—Aid to over a million college students through grants, work-study programs, and student loans in 1968 alone.

—Aid to some 500 developing institutions in raising their academic standards, through provision for national teaching fellows to serve in these institutions and arrangements for the colleges to draw on the experience and resources of stronger institutions and business enterprises.

The *Higher Education Amendments of 1968* extend, improve, and consolidate the earlier legislation. In addition, they open the door to further strengthening of higher education in several areas of critical concern from a manpower viewpoint. For example, they authorize a new federally aided program of education for the public service, where there is urgent need for more professionally trained personnel. And they merge into a new program of special services for the disadvantaged:

—*Project Upward Bound*, begun under the Economic Opportunity Act, which has thus far supported remedial education and counseling for 36,000 severely disadvantaged youngsters to help them gain admission to college; and

—*Project Talent Search*, set up under the 1965 Higher Education Act, to find and help students who could and should be motivated to go to college.

The Congress has also acted to relieve personnel shortages in key professional fields, notably education, health, and science and engineering. With respect to education:

—The *Education Professions Development Act of 1967* gives the U.S. Office of Education far-reaching authority to assist the training of school personnel at all levels and in every specialized field. The act consolidates seven previous categorical programs and provides for the training of teachers, administrators, counselors, school nurses, teacher aides, and other educational personnel.

—Many special *institutes to upgrade educators' knowledge and skills* have been held under previous legislation. During the past 5 years, more than 95,000 elementary and secondary school teachers and other educational specialists have participated in institutes in a variety of subject fields, sponsored by the Office of Education. The Office of Education has also awarded graduate fellowships to 10,000 experienced and prospective teachers and other education professionals, to improve the quality of elementary and secondary school programs. In addition, about 35,000 secondary school teachers and 4,000 college teachers of mathematics and science have participated each year in institutes sponsored by the National Science Foundation.

—Because of the critical need for qualified teachers in urban ghettos and impoverished rural areas, a *National Teachers Corps* was set up by the Higher Education Act of 1965 and continued under the 1968 amendments. This program of teacher recruitment and special training has been warmly accepted by local schools. In 1968, nearly 2,000 Corpsmen were at work in 29 States, in 19 of the 25 largest cities, and dozens of smaller ones; in Appalachia and the Ozarks; in schools for Indians, the Spanish speaking, and children of migrant workers.

To alleviate shortages of professional and technical workers in health fields:

—The *Health Professions Educational Assistance Amendments of 1965* made possible scholarship assistance to about 13,500 students of medicine, dentistry, osteopathy, optometry, pharmacy, and podiatry by late 1968. In addi-

tion, about 200 institutions had received grants to expand their educational capabilities.

—The *Nurse Training Act of 1964* and the *Allied Health Professions Personnel Training Act of 1966* have also made possible traineeships and other aid to students, and grants for the construction and improvement of teaching facilities.

—And finally, the *Health Manpower Act of 1968* extends and expands health manpower training programs authorized under all the earlier legislation and provides new support for health research facilities.

Because of the critical need for more highly trained, creative personnel, especially in the sciences and engineering, the Congress has supported greatly enlarged *fellowship and traineeship programs*. The agencies chiefly concerned—the Atomic Energy Commission, National Aeronautics and Space Administration, National Science Foundation, Office of Education, and Public Health Service—were able to increase the number of their fellows and trainees from about 10,500 in 1962–63 to more than 43,000 in 1968–69. Still larger numbers of graduate students have been aided indirectly through participation in university research programs supported by Federal funds. Such programs have added greatly to the supply of highly qualified scientists, engineers, and college teachers.

Rehabilitation and Other Special Development Services

A great many adults, and also many children, are beyond the reach of the usual education and training programs, even with the enrichment made possible by recent legislation. As the President said in 1964:

> We must extend those rehabilitation, counseling, and related services which experimentation has demonstrated can build the hope, self-respect, motivation, and productive ability needed for self-betterment for many of our disadvantaged—the chronically dependent, the socially hostile, the mentally retarded, the physically handicapped, the emotionally disturbed, and the children being reared in deprived circumstances.[2]

[2] *1964 Manpower Report*, p. xiv.

The past 5 years have seen significant accomplishments in this direction.

The provision of the full range of services required to enable disadvantaged individuals to prepare for, obtain, and hold jobs has become a fundamental strategy of manpower programs. Thus:

—The *JOBS Program* (referred to above) seeks employer cooperation not merely in hiring and training workers but also in providing needed supportive services on an individualized basis.

—The *Concentrated Employment Program*, in operation in 76 urban slums and rural poverty pockets in late 1968, provides training, counseling, health services, remedial education, work orientation, and other services as needed to motivate disadvantaged individuals to seek jobs and help them to qualify; systematic efforts to develop employment opportunities for each individual; and continued counseling, coaching, and other assistance on the job, to assure continued employment. The objective is—and must be—to make these services readily available, in such combinations and sequences as are dictated by individual needs.

The *Federal-State program of vocational rehabilitation* for the handicapped has been much enlarged and strengthened. During fiscal 1968 alone, 208,000 handicapped individuals were rehabilitated, compared with only 110,000 in 1963. Particularly noteworthy is the fact that, currently, over a fourth of all rehabilitants are people classified as mentally ill or mentally retarded, about double the proportion 5 years ago.

Amendments to the Vocational Rehabilitation Act in 1965, 1967, and 1968 have made possible services to more severely handicapped people, permitted greater Federal participation in the cost of rehabilitation, and authorized other important extensions of service. A program to help the disadvantaged, including those without physical or mental disabilities but with employment handicaps as a result of environmental deprivation, was added in 1968. This will represent a new dimension of vocational rehabilitation, applying to the greatly disadvantaged the techniques of diagnosis and evaluation and the work-adjustment services which have been developed and tested in work with the disabled.

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CREATING JOBS

National objectives in job creation must emphasize first of all—but also go beyond—the goal of maximum employment, as formulated by the Employment Act of 1946. This act was silent about those men and women who want and need employment but who are not seeking jobs because of discouragement or other remediable factors. And it took no account of the quality of the jobs available—neither of earnings and working conditions, nor of prospects for advancement, nor of security of employment and income. No formulation of present goals in job creation can overlook these vital considerations.

Overall Reduction in Unemployment

In 1961 (when the average unemployment rate was nearly 7 percent) and even in 1963 (when it was still over 5½ percent), the national purpose was properly concentrated on invigorating the economy, so as to provide as many jobs as possible. To this end deliberate use was made of monetary and fiscal policy, with the tax cut of 1964 the most important step.

A sharp overall drop in unemployment followed—to 4.5 percent in 1965 and well under 4 percent in the next 3 years. Yet among youth, members of minority groups, and the unskilled and disadvantaged, unemployment rates remained far above any acceptable levels. Many depressed geographic areas also had high and persistent unemployment.

To achieve further reduction in unemployment without creating serious inflationary pressures has called for measures directed at the specific problems of these areas and population groups.

Regional Economic Development and the Model Cities Program

Economic development programs for six lagging multi-State regions—Appalachia, Upper Great Lakes, Ozarks, New England, Four Corners, and Coastal Plains—were authorized by the Appalachian Regional Development and the Public Works and Economic Development Acts of 1965.[3] These programs are built upon experience in more limited, local redevelopment efforts under the Area Redevelopment Act. Their general aim is to provide public facilities and other assistance to attract private capital into redevelopment areas within the six regions and thus create more jobs and income for their people.

Through fiscal 1968:

—Almost $600 million had been appropriated for the Appalachian program, with about three-fifths of the total allocated to highway and road construction, greatly needed in this isolated region.

—Appropriations for the other five regions totaled about $18 million, half for improving public facilities and half for business loans, planning grants, and technical assistance.

—The impact on employment and income in the regions could not yet be assessed, but reductions in unemployment in many local areas undoubtedly reflected, in part, the stimulating effects of the economic development programs.

Supplementing these regional and area programs is the *Model Cities Program* for slums and blighted urban neighborhoods, authorized by the Demonstration Cities and Metropolitan Development Act of 1966, and given further support by the Housing and Urban Development Act of 1968.[4] This integrated attack on the social, economic, and physical problems of slum areas is to be locally planned and led, with Federal technical and financial assistance. The goal is to turn the target areas into model neighborhoods containing new and rehabilitated housing and essential community facilities and social services. Insofar as possible, employment opportunities will be created for neighborhood residents in connection with the federally aided construction activities. Where residents lack the required skills, on-the-job training will be provided, with assistance from the MDTA program.

Model city planning grants were made to 150 cities by late 1968. And program operations are expected to be underway in half of these cities by mid-1969.

[3] For discussion of these programs, see *1968 Manpower Report*, pp. 151–154.

[4] Ibid., pp. 154 and 155.

Work-Experience Programs

The disadvantaged groups with the highest rates of unemployment include many individuals, both youth and adults, in immediate need of jobs but not ready for competitive employment. In answer to this dilemma, the Economic Opportunity Act of 1964 and its amendments established several programs to provide work experience for individuals, which might help them to qualify later for productive jobs.

Enrollments in these programs, which are addressed to the varied problems of different disadvantaged groups, totaled over 900,000 in fiscal 1968. More specifically:

—The *Neighborhood Youth Corps* enrolled nearly 1.6 million young people from low-income families, from its beginning in 1964 to the end of fiscal 1968. Of these, about 500,000 were in-school youth who were given paid, part-time jobs to help them stay in school; and nearly 400,000 were out-of-school youth who were provided jobs and other needed services to help them either return to school or find regular jobs. The summer program employed nearly 700,000 boys and girls in useful work which added to their financial resources for return to school.

—The *Job Corps* is the only major residential manpower program, serving youth so underprivileged and alienated that they cannot profit from education and training without moving to a new environment. Nearly 200,000 young men and women received work, training, and new living experience in either rural conservation or urban centers through fiscal 1968.

—The *New Careers Program* is applying and testing an important concept—opening jobs with career ladder possibilities for the unemployed and underemployed and, in so doing, providing paraprofessional personnel who will help to relieve the shortages of professional workers in health and other human service fields. The program is still essentially in the pilot stage: only a few thousand New Careers opportunities have yet been provided.

—*Operation Mainstream* is another small program which provides work experience for chronically unemployed adults, many of them older workers, in community beautification and improvement activities.

—The *Special Impact Program* is designed to generate new training, employment, and entrepreneurship opportunities and visible improvement in the living environment in specific slum areas. The first and so far the largest project, in the Bedford-Stuyvesant area of Brooklyn, has achieved significant results, including support for new or expanded businesses in the area leading to the creation of new jobs. New projects have been launched also in the Watts area of Los Angeles, the Hough area of Cleveland, in rural areas of eastern Kentucky and southeastern North Carolina, and in the Nation's capital.

—Latest in this program series is the *Work Incentive Program* (*WIN*) made mandatory by the 1967 amendments to the Social Security Act. Its goal is economic independence for all employable persons 16 years of age and over in families receiving help from the AFDC (Aid to Families With Dependent Children) program. More than 1 million families are potentially involved. But the $118 million appropriated for the program for fiscal 1969 will fund only about 100,000 enrollments and will make possible day-care services for only a limited number of children of mothers referred to the program.

Reducing Seasonal Unemployment

About one-fifth of all unemployment of American workers in 1968 was due to the seasonal swings in employment in construction, agriculture, and certain other industries. An attack on this seasonal irregularity of employment is essential to further progress toward full employment and improvement in workers' economic security.

In accordance with a directive from the President in his *1967 Manpower Report*, the Secretary of Labor in cooperation with the Secretary of Commerce made an initial study of methods by which Federal, State, and local governments, through their contracting procedures and other activities, could reduce seasonal lags in employment in the construction industry.[5]

[5] For a discussion of seasonality in the construction industry, see *1968 Manpower Report*, pp. 6–7.

On the basis of their findings, the President, in a memorandum sent in November 1968 to heads of Federal agencies with responsibilities for construction expenditures, pointed out that:

> The Federal Government is a major purchaser of the work of the construction industry. Through many of its programs, the Government has an indirect effect on fluctuations in construction activity. We in the Federal Government have a unique opportunity to help reduce seasonality in construction.

The President accordingly requested each agency head to take the following steps:

1. Ensure that, in the planning and programing of construction activity, due consideration is given to reducing seasonal variation.
2. Make contracts and schedule projects with regard to local conditions.
3. Encourage completion dates and penalty clauses that facilitate the stretch-out of work into the off-season.
4. Determine whether current authorization and appropriations procedures introduce a seasonal pattern into the letting of contracts and the scheduling of construction.
5. Encourage recipients of Federal grants and loans for construction to engage in activities to reduce construction seasonality.
6. Identify and disseminate to appropriate recipients information on techniques and procedures for facilitating year-round construction.
7. Take such additional steps, as may be permitted by law, to promote the scheduling of their construction activities during off-season periods, as will not entail undue impairment of program goals or excessive additional costs.

These steps will constitute an important beginning in the difficult task of reducing unemployment among construction workers, as well as the off-season waste of other critical resources. Much broader measures will be required, however, to bring these problems under satisfactory control. The 1968 amendments to the Manpower Development and Training Act accordingly direct the Secretaries of Labor and Commerce to study and to report to the Congress by the end of 1969 on the opportunities for lessening construction seasonality and the measures required to do so.

Labor Standards and the Quality of Employment

The quality of employment is a dimension not yet clearly defined but certainly crucial to the well-being of workers and to any adequate assessment of the Nation's progress toward its employment goals. As recent research has indicated, employment quality has many facets—economic, physical, social, and psychological.[6] Positive, cooperative action by employers is essential to improve the quality of employment in all its many aspects. But there should be focus also on labor standards—on the progress made and still needed in protecting workers against low wages and bad working conditions and assuring them adequate income maintenance when they are unemployed, disabled, or retired.

A significant forward step in eliminating substandard wages was taken with *the 1966 amendments to the Fair Labor Standards Act.* These amendments extended the coverage of the act to many more workers—another 10 million added to the 33 million previously covered—and they raised the minimum wage from $1.25 to $1.60 an hour for most workers by early 1968. Although not large enough to support a big family, this new minimum wage did have the effect of lifting a good many families from below to slightly above the poverty line.

The protection of workers against hazards is an area where action is greatly needed. The shocking record of deaths and injuries to workers on the job entails a loss to the economy estimated at $5 billion a year. Furthermore: "The gap in worker protection is wide and glaring—and it must be closed by a strong and forceful new law."[7] A proposed Occupational Safety and Health Act was accordingly recommended by the Administration to the Congress in 1968, but has not been enacted as yet.

This act would contribute greatly to the welfare of the Nation's workers by providing Federal standards of health and safety protection for more than 50 million workers in interstate commerce. It would also give the States Federal help in developing and enforcing their own industrial health and safety standards.

Income Maintenance

Income maintenance in the event of unemployment or disabling accident or injury is another aspect of labor standards of urgent concern to the welfare of workers and their dependents. And so is assurance of an adequate income after retirement.[8]

[6] For further discussion of the psychological aspects of employment, see the chapter on Manpower Research; also see *1968 Manpower Report*, pp. 47–56.

[7] *1968 Manpower Report*, p. xvi.

[8] For a discussion of the income maintenance protection afforded workers under the major public and private programs, see *1968 Manpower Report*, pp. 37–46.

In recent years, improvements in public income maintenance protection for workers have been limited, in the main, to moderate increases in unemployment and retirement benefits. With encouragement from the Federal partner in the *unemployment insurance system*, many States have increased the maximum UI benefits specified by their laws. In mid-1968, 21 States had basic maximums amounting to 50 percent or more of their workers' average weekly wage, compared with only 10 States 5 years earlier. On the average, however, the rise in benefits has merely kept pace with the rise in wages. And 1 out of every 4 wage and salary workers in the country is still excluded altogether from UI protection.

For *workers on OASDHI—the Federal Old-Age, Survivors, Disability, and Health Insurance Program*, which approaches universal coverage of retired workers—benefits were increased by at least 13 percent by the amendments to the Social Security Act which went into effect in February 1968. The average monthly benefit for a man and wife now on the rolls increased from $145 to $165. However, most retired (or disabled) workers with a wife and two children who are totally dependent on OASDHI are still at or below the poverty level.

Workers who suffer temporary disabilities are worse off than they were at the start of the decade. State workmen's compensation laws still exclude about 1 out of every 5 workers; the adequacy of the income protection they provide has declined persistently; and there are still only four States with compulsory public temporary disability insurance programs to protect workers who suffer nonoccupational disabilities.

Yet 5 years of progress in implementing an active manpower policy and attacking the causes of poverty have brought a greatly broadened view of income maintenance. Previously regarded as either earned insurance payments or relief, it is now widely recognized as the provision society should routinely make for preserving the human dignity of workers unable to obtain or hold productive jobs, as well as for widows, orphans, and the disabled.

Recognition has also grown, however, that the country's public assistance system is outmoded and in need of major change. Accordingly, in January 1968, the President appointed a Commission on Income Maintenance Programs to look into many aspects of existing welfare and related programs and to make recommendations for improvements wherever needed and indicated. The Commission has held extensive hearings and is to report by the end of 1969.

From the viewpoint of manpower policy, it is essential that there be emphasis on assurance of opportunity, and not merely income maintenance as such. Though of crucial importance for those who cannot and should not be expected to work, income maintenance is no answer to the problems, for example, of jobless youth, or of the millions of marginal workers who should be helped to qualify for more productive, better paid employment.

MATCHING WORKERS AND JOBS

Beyond upgrading of human abilities and raising both the quantity and the quality of employment, there is great need for improving the ways in which workers and jobs are brought together and kept together. This was recognized in the first formulation of an active manpower policy, and it remains true today despite many-pronged efforts and substantial progress in this area.

The task of achieving more effective matching of people and jobs has two major aspects:

—Strengthening of job market mechanisms and institutions, above all the Federal-State Employment Service system.

—Removal of barriers to the matching process, including lack of geographic mobility, lack of adequate transportation between areas of expanding job opportunity and workers' homes, lack of child-care facilities, artificial hiring requirements, and discrimination in hiring and advancement.

Strengthening the Public Employment Service

With each new manpower program undertaken in the past 8 years, the public Employment Service system has been called upon to assume added responsibilities. Local employment offices have become the chief manpower agencies in their communities—responsible for reaching unemployed and disadvantaged workers, identifying their needs, referring them to training projects and other services to increase their employability, locating job openings for which they are suited, and pro-

viding continued counseling on the job to help them adjust to the new environment.

This has entailed a greatly enlarged burden of work for the Employment Service and a major reorientation of its mission. Under the Human Resources Development concept introduced in 1965, the Employment Service no longer waits for the jobless to seek job-finding assistance but actively seeks out those workers who most need help and arranges for the combination of services required by each individual.

The reorientation of the Employment Service toward serving the more disadvantaged has involved close working relationships with Community Action agencies at the local level. In the Concentrated Employment Program, for example, the local CAA generally acts as prime sponsor for manpower programs and the Employment Service functions as deliverer of the manpower services.

To handle its greatly expanded functions, the Federal-State Employment Service system has had a 33-percent rise in budgeted positions between June 1963 and June 1968. The additional personnel have staffed new local offices in or near slum neighborhoods; new services to rural residents; and new and expanded services to disadvantaged youth, older workers, veterans, and other special groups. They have also enabled the Employment Service to participate in the planning and coordination of the major manpower programs and many phases of their operations. But the total effect is to stretch the Employment Service's limited staff resources very thin—so thin as to make impossible really adequate services to all who need them.

The capability of the Employment Service for matching workers and jobs will be increased by a new program called for by the 1968 amendments to the Manpower Development and Training Act. These amendments direct the Secretary of Labor to establish a program, utilizing electronic data processing and telecommunications systems, to aid in matching the qualifications of unemployed and underemployed workers with employer requirements and job opportunities on a national, State, and local basis. The aim will be to provide a quick and direct means of communication between recruitment, job-training, and placement agencies. Regular surveys of available job opportunities are to be made also, to aid in placement activities and related manpower programs.

Removing Geographic Barriers to Employment

In an effort to help workers in depressed areas move to places of better employment opportunity elsewhere, a demonstration program of *relocation assistance* was authorized under the 1965 amendments to the MDTA. Besides testing the feasibility of helping workers to relocate, the program is concerned with making their migration more effective economically, by so guiding and assisting it that the moves will really benefit the workers and their new communities and not merely add to the overcrowding in urban slums.

By late 1968, some three dozen mobility projects had helped over 13,000 workers and their families to relocate to new jobs. For most, the moves resulted in a substantial reduction in unemployment and a rise in earnings. Relatively few—less than 20 percent—have returned to their original rural homes.

Slum residents also face major geographic obstacles in seeking work, because of the movement of business and industry from the central city to the suburbs. Without automobiles or money for public transportation, many do not even know about the areas of growing job opportunity in the rings around their cities.

Special *transportation demonstration projects*, aimed at meeting this problem through bus lines from poverty areas to suburban industrial centers or large plants, have been set up, principally by the Department of Transportation. Areas where projects of this kind are underway include Los Angeles, Baltimore, Buffalo, St. Louis, and Nassau and Suffolk counties on Long Island. In the Watts area of Los Angeles, special carpool arrangements (sponsored by the Department of Housing and Urban Development in cooperation with the city government) have been set up to transport people to the plants where they have been hired. In another recent pilot project (funded by the Department of Transportation) the National Alliance of Businessmen is working in a number of cities to identify areas of high unemployment from which people will be transported to the plants of employers who have volunteered to take on disadvantaged, unemployed workers.

Meeting the Deficit in Child Day Care

Lack of adequate child day care is a very different kind of obstacle which prevents many

women from seeking financially needed jobs and makes unstable workers of those who must accept makeshift and unsatisfactory arrangements for their children's care. Although nearly half a million children are now cared for in licensed day-care facilities, compared with only 185,000 in 1962, the need is measured in the millions.

The Public Welfare Amendments of 1962 marked the beginning of significant Federal funding for day care, and the States have also been responding to the growing need with new legislation and increased funding, licensing, and educational activities. In addition, day-care activities have been funded under the Economic Opportunity Act in the Community Action and Head Start programs. More recently, a pilot program of Parent and Child Centers has been set up in areas of acute poverty by Community Action agencies.

Child day-care arrangements on a much larger scale are also an essential element in the new Work Incentive Program for recipients of Aid to Families with Dependent Children. However, only $17.5 million was appropriated for WIN day care for fiscal 1969, and the Department of Health, Education, and Welfare has assigned a low priority in referrals to the programs of welfare mothers with young children. While the immediate impetus to expand day-care activities is thus minor, long-range prospects for solving this pressing problem are good.

The 1967 amendments to the Economic Opportunity Act contain several provisions regarding day care. For example, they authorize it as a supportive service for parents engaged in basic education, training, or employment, and they call for the development of common program standards by the Department of Health, Education, and Welfare and the Office of Economic Opportunity.

A set of standards entitled Federal Interagency Day Care Requirements was issued in September 1968 and concurred in by the Department of Labor. In addition, the Department of Health, Education, and Welfare took the lead in the spring of 1968 in creating an interagency Federal Panel on Early Childhood.[9] The panel is to develop plans for the most effective use of funds available to each of the participating agencies for the operation of child day-care programs and for related research, training, and technical assistance.

Currently under consideration is a proposal for Community Coordinated Child Care (4–C) Programs. A 4–C Program must incorporate day-care and preschool programs as core services and must operate under the Federal day-care standards. It will seek to coordinate all the relevant community services in order to provide continuity of services to each family, reach the maximum number possible within the limits of combined resources, and otherwise improve operations. Where a high degree of coordination is achieved, joint funding of the program would be a logical culmination. Late in 1968, the panel was selecting a limited number of communities to participate in pilot 4–C programs during fiscal 1969.

Employer Hiring Practices

Besides these environmental barriers to employment, artificial requirements in hiring and promoting workers are prevalent obstacles to employment of the disadvantaged. The requirement of a high school diploma for many low-skilled jobs and the use of paper-and-pencil tests in screening prospective employees may exclude workers with low levels of education or limited knowledge of English from jobs they could perform.

One key to the success of the JOBS Program and other projects involving hiring of the disadvantaged has been employer willingness to waive hiring requirements of these kinds. Promotional efforts by the National Alliance of Businessmen, in support of the JOBS Program, have helped to awaken in private industry a growing recognition of responsibility for providing jobs, under whatever conditions necessary, for the culturally underprivileged from urban slums.

The successful development by the Department of Labor and other organizations of worker assessment techniques that are relatively free of cultural bias is also making an important contribution to the hiring and training of the disadvantaged.

Reducing Discrimination in Employment

These steps toward elimination of artificial hiring requirements are also steps toward the ending

[9] Represented on the panel—in addition to the Children's Bureau, the Office of Education, the Public Health Service, the Social and Rehabilitation Service, and the National Institute of Child Health and Human Development, all in the Department of Health, Education, and Welfare—are the Office of Economic Opportunity; the Departments of Labor, Housing and Urban Development, and Agriculture; the Economic Development Administration of the Department of Commerce; and the Bureau of the Budget.

of employment discrimination. But action to prevent such discrimination has gone much further than this. The past 5 years have been, in fact, a period of path-breaking legislative and administrative action to achieve equality of employment opportunity.

Under *title VII of the Civil Rights Act of 1964*, it is an unfair employment practice for employers of 25 or more employees, labor unions, and employment agencies to discriminate against any individual because of race, color, religion, sex, or national origin.

The Equal Employment Opportunity Commission, which handles complaints of job discrimination, thus far has:

—Received 34,000 complaints and recommended 18,000 of them for investigation.

—Completed field investigations on nearly 13,000 complaints, and settled over 3,000 through conciliation procedures, with full or partial success.

—Held public hearings, developed guidelines, and otherwise promoted affirmative action against discriminatory practices.

As a result, many firms have modified not only their hiring and layoff policies but also testing and other practices not previously recognized as discriminatory.

Still more effective results in establishing fair employment policies may be anticipated when cases testing title VII provisions in the courts are completed. The Department of Justice has thus far initiated 32 suits to enforce title VII, 25 of them in 1968. Other major legislative bars to discrimination include:

—*Title VI of the Civil Rights Act of 1964*, banning Federal grants-in-aid for activities that involve discrimination on the ground of color, race, or national origin. For example, Federal funds may not be used to aid apprenticeship training in public schools if the sponsoring union practices discrimination.

—The *Age Discrimination in Employment Act of 1967*, making it unlawful to refuse to hire or to fire older persons (40 through 64 years of age) because of their age. Labor unions are banned from refusing membership and employment agencies from refusing job referral on the basis of age.

These legislative mandates have been supplemented by important administrative measures, including:

—Executive Order 11246, effective as of October 1965, which forbids discrimination on the basis of race, creed, color, or national origin by either the Federal Government itself or its contractors and subcontractors; and also requires them to take affirmative action against discrimination in recruitment, training, layoffs, rates of pay, and related matters.

—Executive Order 11375, which bans discrimination in employment on the basis of sex.

The primary responsibility for enforcing these Executive orders rests with the contracting agencies. However, in order to insure uniform and effective enforcement, the Secretary of Labor has been made responsible for establishing policy guidance and coordinating and reviewing enforcement programs. The Office of Federal Contract Compliance, which carries out these functions for the Secretary, reports significant progress since 1965:

—Coverage under the orders has expanded greatly as a result of broader interpretation of the Executive orders, and enforcement activities have shifted in emphasis from complaints to regular reviews of the pattern of minority and nonminority employment by Federal contractors. On the average, about 10,000 such reviews, which are conducted in the employer's establishment, are made annually.

—Affirmative action is required if a pattern of discrimination is found. Furthermore, in the case of bidders for major contracts, compliance reviews are made just prior to the contract award in order to assure strict enforcement of standards. A number of bidders have been passed over as a result of these reviews. Formal hearings, preliminary to sanctions, have been scheduled for other major contractors (including one of the Nation's largest corporations).

The impact of these actions is illustrated by numerous success stories about accelerated entry of minority groups into white-collar and other job categories previously barred to them. For example, following proposed Federal enforcement action, a major shipbuilding firm promoted nearly

3,900 of its 5,000 Negro employees. It also put many of the workers into formal educational and training programs, including some apprenticeships, or into line for promotion to supervisory categories. Banks, insurance companies, building materials manufacturers, and paper manufacturers are included among the firms which have substantially increased their hiring of members of minority groups and opened opportunities for their promotion to better paying jobs.

The Secretary of Labor has further strengthened the program to eliminate discrimination through an order issued in September 1968 requiring that employment tests used by contractors and subcontractors subject to the provisions of Executive Order 11246 be validated before use in hiring, transferring, or promoting workers. The order points out that the compliance reviews conducted by the Office of Federal Contract Compliance have shown an increasing reliance on tests in personnel activities and also that minority candidates frequently experience disproportionately high rates of rejection through failure to attain the scores established as minimum standards for qualification. The order, which initially covers only contractors with more than 2,500 employees, will be extended eventually to include all companies subject to the Executive order. It sets a series of minimum standards for determining if selection tests used in employment decisions are valid for the particular applicants and jobs under consideration.

The U.S. Civil Service Commission has also moved strongly to equalize employment opportunity in Federal Government agencies. It has established:

—*A worker-trainee program* for maintenance and service workers. Under this program, applicants are chosen primarily because of their likelihood of success in the immediate job, rather than their potential for advancement to other positions—thus reducing the barriers to employment of the undereducated or otherwise disadvantaged.

—*Programs to achieve equal employment opportunity for women.* In 1961 women represented only 15 percent of the total number hired through the Federal Service Entrance Examination—the Federal Government's chief program for hiring college graduates; in 1968, they accounted for 38 percent of the total.

—*Job redesign programs* to broaden opportunities for the disadvantaged, minority groups, and the handicapped. These programs have been greatly strengthened. In late 1968, Negro employment with the Federal Government exceeded 390,000, about 15 percent of the Federal work force. Employment of the handicapped reached nearly 270,000, about 1 of every 10 Federal workers.

In addition, the Commission has established more realistic testing procedures for a wide variety of jobs, revised Government-wide merit promotion programs, and taken other steps to insure equality of employment in the Government.

MANPOWER RESEARCH AND EXPERIMENTATION

A number of the paths followed in the new manpower programs were blazed by research, experimental, and demonstration projects. Since there was no substantial or systematic body of knowledge built on experience that could provide guidelines for effective operations, much of the legislation calling for the establishment of manpower programs specifically authorized the conduct of research, experimental, and demonstration activities as a fundamental program resource.

The precedent of recognizing research as a program in its own right was set in title I of the Manpower Development and Training Act of 1962. That title directed the Secretary of Labor to establish a comprehensive manpower research program not only to assess the country's manpower requirements and resources but also to develop information and insights as a guide in planning needed remedial action.

Hand in hand with the resulting research program went a series of special projects to test new techniques and procedures for overcoming some of the unprecedented problems that inevitably cropped up in the new MDTA training programs. These projects were the forerunners of the MDTA experimental and demonstration program, which was given formal status in the 1965 amendments to the act. Those amendments also authorized a substantial expansion in the research program, since the early results of the modest research efforts had "identified the huge potential contribution of

enlarged research investment and . . . established a good base for the needed expansion."

Meanwhile, several related laws followed the MDTA precedent of authorizing research and experimentation and demonstration. These included the Vocational Education Act of 1963 and the Economic Opportunity Act of 1964. Together, these statutory provisions gave new emphasis to research and innovative action projects as tools for improving manpower policies and programs.

Application of the results of these projects testifies to the wisdom of this emphasis. Under the MDTA programs alone, eight amendments to the act can be traced to research and experimental and demonstration projects: Three of the 1963 amendments extending and liberalizing training allowances to give greater incentives to young and poorly educated unemployed workers; one 1965 amendment authorizing bonding where necessary for the employment of persons with arrest records and another providing for mobility assistance to unemployed workers held immobile in areas of high unemployment; and three 1966 amendments authorizing training projects for prison inmates, limited health services for trainees needing such help, and prevocational orientation to help prepare workers for employment.

Other notable contributions of the MDTA programs include the development of several basic elements of the Concentrated Employment Program, the launching of an apprenticeship outreach program that has nearly doubled the number of Negro and other minority youth in apprenticeship, and a Presidential directive for joint programs (by the Departments of Defense, Labor, and Health, Education, and Welfare) for the rehabilitation of young men rejected for selective service. Research and E&D projects made possible by the MDTA also provided much of the information used in planning the JOBS Program and in the evolution of the Employment Service's Human Resources Development approach.

Among the related programs that have emphasized research and development, vocational education can be used to illustrate the scope of these activities. Research and development supported under recent vocational education legislation is providing basic data for realistic statewide planning of vocational education programs and for developing instructional materials. A major project, entitled "ES '70," is designed to map a systematic approach to developing secondary school curriculums that will permit each student to move at his own pace in preparing to enter employment or to continue his education. Another area of emphasis is the evaluation of instructional programs on a cost-benefit basis as an extended effort to make maximum use of each dollar spent in vocational education.

Many of the research and experimental and demonstration projects are financed jointly by two or more agencies, and a number of them cover programs operated jointly. Similarly, all of the agencies involved seek to draw on the findings of other agencies and private organizations. It is impossible either to catalog or to assign proper credit for individual contributions in a brief summary such as this. It is clear, however, that the contributions complement and reinforce each other in the development of manpower policy and programs.

THE RANGE OF MANPOWER CONCERNS AND THE SCOPE OF THIS REPORT

As this highly compressed and incomplete summary of major program developments makes plain, a policy directed toward full development and maximum utilization of the country's manpower resources is inevitably concerned with far-ranging aspects of the national and human condition. Many facets of national life not touched on in this summary could appropriately have been included—for example, the location and condition of housing as they affect accessibility to jobs; the effects of transportation policy on employment location; and provisions for medical and health care, as they relate to the employability and efficiency of the work force.

There is hardly any aspect of Government policy or major Government program which does not have manpower implications—and often very far-reaching ones. Yet these implications have been assessed so far on only a limited, piecemeal basis. If this country is to move efficiently toward its manpower goals, the manpower consequences of Government action in all fields—including, for example, national defense, trade policy, fiscal policy, and natural resource development—should be purposively foreseen and appraised in a much more comprehensive, integrated manner. This is not to suggest that manpower considerations should be overriding but simply that the effects of

Government actions on employment and unemployment should be considered and understood, so that appropriate steps may be taken to counter resulting problems.

The focus of the following chapters is much narrower than this, however. They are addressed to three major subjects:

—The employment record during the past 8 years of economic expansion, with emphasis on the role of Government economic and manpower policy in stimulating and sustaining this expansion, and on the nature and magnitude of the remaining manpower problems. The manpower outlook, including the potentialities for economic and social progress which may follow a cessation of the Vietnam war, is also discussed.

—The evolution of manpower policy and programs under the Manpower Development and Training Act and other recent legislation, with assessment of the continuing needs which constitute America's unfinished manpower agenda. This part of the report is concerned chiefly, though not exclusively, with programs to increase the employability and employment of the disadvantaged who, without this help, will have no equitable share in the general prosperity.

—The recent strengthening of research on human resources and the new experimental and demonstration program, which have contributed to and resulted from the development of an active manpower policy and its implementing programs. The chapter on manpower research focuses on the insights gained through research in several important manpower areas—including manpower requirements, joblessness and low earnings, occupational training, and equal employment opportunity. The subject of the final chapter is the innovative E&D projects conducted under the Manpower Development and Training Act, primarily for the purpose of exploring better ways of reaching greatly disadvantaged workers, whose needs were not being met effectively by regular programs.

PART I.

THE EMPLOYMENT RECORD

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The United States in 1968 completed an unprecedented eighth year of unbroken employment expansion and continued on a path of social and economic advance that with each succeeding year enabled more Americans to live better than ever before.

This demonstration of what could be done has, in a sense, sharpened the frustrations of those who have not shared sufficiently in the general progress and has underlined the urgency of the remaining task of giving every American the opportunity to develop according to his potential and to work at a productive and rewarding job. The magnitude of the general success has shown that the Nation has in its grasp the resources and the know-how to surmount the remaining obstacles, formidable though they are.

The current expansion stands out as something

THE 1961–68 ECONOMIC EXPANSION IN BRIEF

	1961	1968 [1]	Change, 1961–68 [1]			
			Total		Annual average	
			Number	Percent	Number	Percent [2]
Disposable personal income per capita in 1968 dollars	$2,257	$2,922	$665	29.5	$95	3.8
(Billions)						
GNP in current dollars	$520.1	$861.0	$340.9	65.5	$48.7	7.5
GNP in 1968 dollars	$605.2	$861.0	$255.8	42.3	$36.5	5.2
(Thousands)						
Total civilian employment	65,746	75,809	10,063	15.3	1,438	2.1
Nonfarm payroll employment	54,042	67,930	13,888	25.7	1,984	3.3
Unemployment	4,714	2,845	−1,869	−39.6	−267	−7.2
(Percent)						
Unemployment rate	6.7	3.6	−3.1	−46.3	.....	.....

[1] Figures for 1968 are estimated.
[2] Compounded at annual rates.

more than simply a longer period of economic expansion than any before; the beginning of this period stands as a watershed between different eras. Such watersheds have appeared before in the economic history of this country, distinguishing fundamental changes in the character, intensity, and pace of change in economic life and in the effect these have on the livelihoods of workers.

The Civil War and the Great Depression were watersheds of this nature: the character of industry, the pace and quality of economic growth and of employment, and the role of government in promoting the well-being of individuals showed basic changes after each of these upheavals. Some events that served to demark the direction and spirit of different eras have been more particularized, influencing the condition of workers sometimes subtly and indirectly and sometimes very openly.

Some legislation stands out in this way: The Homestead Act, which opened the American heartland and the West to development by the independent farmer; the Morrill Act, which reaffirmed the national policy of broad-scale public higher education through land-grant colleges; the Vocational Education Act of 1917, which instituted Federal support of educational preparation for working life; the landmark acts of social legislation of the 1930's, which provided for income maintenance and the protection of workers' economic rights; and more recently, the Manpower Development and Training Act, which established the system and principle of federally supported training and retraining of workers.

The recession of 1960–61, which demarked our current era, was not especially noted for either its duration or its severity; by past standards, it was comparatively mild and short. It nevertheless stands out because, first of all, the period of expansion which followed it was the reflection not so much of market forces responding autonomously to economic events as of new policies and new commitments. Fashioned in 1961, the new approaches to governmental responsibility to provide, in fact, a truly American climate of opportunity took clearer shape and received increasingly stronger implementation in the past 5 years. They were designed specifically to achieve and sustain a desired rate of growth and to proceed affirmatively, rather than passively, to full employment of our manpower resources.

Secondly, national policy has shifted from a preoccupation with the aggregate, which is necessarily an abstraction, to a concern for the plight of individuals. This would not have been possible without success in maintaining overall conditions of prosperity. But perhaps a more important factor has been the enhanced sensitivity of the mass of Americans to social and economic injustice—a development of collective "soul," as it were, that rejects the passive acceptance of gross inequities in the social structure or in working life. As is true of all major changes in attitudes, this has been a source of divisiveness as well as cohesiveness in our society.

The emergence of the manpower program as one of the specific instruments of national policy is one of the notable innovations of this period; it gave an added dimension to economic policy and provided a major tool to deal with the problems faced by workers who could not benefit from general policies. The clear enunciation of an active manpower policy during the 1960's, and its implementation in a variety of programs, provided a basis for overcoming the obstacles to gainful employment of disadvantaged workers, for generally upgrading the skills of workers, and for averting manpower shortages which could interrupt economic progress. Manpower policy in this period became an instrument both for augmenting and extending the effective limits of general growth policies and for achieving social goals, by offering to disadvantaged individuals the opportunity for a productive economic life.

The record of achievement in output, employment, and general social conditions during these past 8 years is testimonial to the capacity of these policies to deal with major national problems. Economic success has brought with it a justifiable confidence in the ability of this Nation to continue the momentum of growth, to avoid recession, to deal humanely with the dislocations which are inevitable with change, and to overcome the disadvantages which still hamper the full participation in working life of too many of our citizens and which have kept the country from reaching genuinely full employment of its human resources.

In addition to manpower programs, these policies have included monetary and fiscal measures applied with deliberation in a timely, coordinated, and flexible way, and programs involving public services and investments in housing, transportation, health, education, and welfare. Given the determination to tackle the problems and the con-

tinuing commitment to advance toward full employment, and given the reinforcement and refinement which these policies still require, the problems ahead can be faced with confidence, and the Nation can proceed to new levels of economic achievement, permitting even greater benefits to all of its people.

While under these policies growth has continued for a record period, the critical test of their durability and effectiveness still lies in the future. Government policy and public determination face the test of staving off the inflationary forces and correcting the serious imbalances which often accompany high growth and of easing the adjustments which may be required. They also must soon face the test of effecting the transition from a wartime to a peacetime economy. The last steps in achieving full employment will undoubtedly be the most difficult because they involve not merely the employment of the most disadvantaged workers, but also alterations in the conditions that produced these disadvantages—in housing, schooling, ghetto life, job discrimination, and cultural deprivation.

The success of national policies in promoting economic growth and employment expansion has unfortunately been obscured by the Vietnam war. The war created demands for labor, materials, and production facilities that adversely affected the stability of growth and added immensely to inflationary pressure. With an end to hostilities hopefully near, the problem of readjustment will challenge this country's ability to anticipate the nature of the changes, to minimize the severity of the necessary dislocations, and to utilize the "peace dividend" of released human and physical resources for the pursuit of our national objectives for a better society.

Large public investments will be required to meet the needs stemming from the sheer magnitude of our population increase and technological growth, to meet the problems which presently plague our cities, and to keep up with the rising demand for public services in health, education, and so on, which result both from growth and from rising expectations generated by past gains.

During the 94 months from the trough of the recession in February 1961 through the end of 1968, the accumulation of sustained economic gains and the maintenance of continuing economic vitality have brought the country within range of full employment.[1] Some of the outstanding developments of the period from 1961 to 1968 have been:

—A 42-percent greater annual output of goods and services in 1968 than 1961.

—A 3.5-percent annual increase in output per man-hour during the period, significantly above the post-World War II average of 3.2 percent.

—An addition of 8.2 million persons to the civilian labor force—2 million adult men, 4.5 million adult women, and 1.7 million teenagers.

—An additional 10.1 million people employed—3.5 million adult men, 4.9 million adult women, and 1.7 million teenagers.

—An addition of nearly 14 million jobs to nonfarm industry payrolls—a rise of 25 percent.

—Of the 14 million more jobs, 3½ million were added in manufacturing.

—A rise in weekly earnings of production workers from less than $83 to more than $107—an increase in purchasing power of 12 percent even after allowing for price changes.

—A drop of 40 percent, more than 1 million, in the number of part-time workers in nonfarm industries who wanted full-time jobs.

—Nearly 2 million fewer unemployed, a decline of 1.5 million adult men and 400,000 adult women.

—The achievement in 1968 of the lowest unemployment rate since the Korean war—3.6 percent, down from 6.7 percent in 1961.

—A 6.8-percent unemployment rate for Negro workers, the lowest since 1953.

—A 1.1 million reduction in long-term unemployment.

—A decline in the number of major areas with high unemployment from 101 in 1961 to six in 1968.

These developments are described in greater detail in the following sections.

[1] Because annual averages are most often used in making comparisons in this report, the interval between 1961 and 1968 represents 7 years; however, all of the 8 years under discussion were characterized by virtually uninterrupted growth from February 1961. The references to 7 years are based on annual average change from 1961 to 1968; those references to 8 years refer to the entire period.

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The progress of workers, as reflected in jobs and income, is directly related to the level and trend of business activity and to Government policies that, intentionally or not, influence consumer and business decisions. The unusually strong and continuous employment expansion of the past 8 years resulted from rapid economic growth. During this period, the economy grew at an average annual rate of well over 5 percent, which was much more than enough to absorb the normal increase in the labor force while maintaining the long-term trend in productivity gains.

This extremely high rate of economic growth was achieved with the aid of fiscal and monetary policies which stimulated aggregate economic activity and successfully avoided the seesaw of expansion and recession which characterized the 1950's.

The well-being generated by the employment expansion, in turn, contributed to the rapid economic growth. In addition, Government programs designed to enhance the employability of marginal workers and to increase the incomes of the poor provided powerful boosts to demand. With the Government thus actively using both general and pinpointed programs, unemployment finally fell below the interim goal of 4 percent, which previously had been achieved only during and immediately after the World War II period and during the Korean war.

The path of economic growth was not completely smooth, however. There were three fairly distinct periods, although even within these periods conditions varied somewhat from quarter to quarter. The first period, 1961 to mid-1965, was primarily one of recovery and resumption of balanced growth at a moderate pace. Coming after the incomplete recovery of 1959–60 and the recession of 1960–61, this period was marked by the progressive adoption of policies designed to foster overall growth and assist those who were at the bottom of the economic ladder to get into the mainstream of American prosperity.

The second period, mid-1965 through 1966, was one in which healthy growth became excessive as the Vietnam situation developed into a large-scale deployment of men and resources. Huge amounts of materials and production facilities and great numbers of young men and skilled adult workers were diverted rapidly from an already booming civilian economy. The unexpected increases in demand led to a sharp runup in costs and not entirely successful efforts to control demand by monetary techniques.

The most recent 2 years have revealed the strains and stresses of adaptation to a guns-and-butter economy. In real terms, consumption continued to rise throughout these years, business investment reached record levels, and government outlays moved upward. But prices also rose sharply, and the fear of inflation finally led to fiscal policies designed to slow down the economy.

During the early years of this decade, labor force growth fell off sharply in a direct reaction to the recession of 1960–61, and the job gains which occurred in 1961 and 1962 represented mainly the reemployment of laid-off workers. Under the continued stimulus of economic expansion and widening job opportunities, however, labor force growth came closer to normal in 1963 and 1964. But the rate of increase in the labor force between early 1962 and early 1964 about matched the employment gains, so that the unemployment rate held above 5 percent. (See table 1.) This rate had been the sticking point in the 1959–60 recovery; the progressively higher unemployment rate in each

Table 1. Change in Employment and Unemployment Compared With Unemployment Rate, 1961–68

Year	Change from previous year (thousands)			Unemployment rate (percent)
	Civilian labor force	Employment	Unemployment	
1961	831	−32	862	6.7
1962 [1]	355	1,156	−803	5.5
1963	1,219	1,060	159	5.7
1964	1,258	1,543	−284	5.2
1965	1,364	1,783	−420	4.5
1966	1,315	1,807	−491	3.8
1967	1,577	1,477	100	3.8
1968 [2]	1,355	1,477	−122	3.6

[1] Adjusted to take account of revised figures introduced in 1962 as a result of the 1960 census.
[2] Estimated.

succeeding recovery from the recessions of the 1950's had come to be identified by some economists as evidence of a "mature" or "stagnant" society.

The employment situation in 1963 proved, however, to be basically different from the earlier periods. The commitment to "achievement of the full potential of our resources—physical, human, and otherwise" as "the highest purpose of Government policies next to those rights we regard as inalienable" had become a keynote of Administration policy.[1] A coordinated effort was made to stimulate economic growth through a consistently easy monetary policy and an aggressive and flexible application of fiscal policies. These included acceleration of programs to put increased social insurance payments, tax refunds, and similar monies into the hands of the public; tax credits for investment; liberalized depreciation; and finally, the tax cut of early 1964. In addition, a wide array of programs was instituted to expand foreign trade, raise educational levels and quality, stimulate investment and production, and bolster purchasing power. Of greatest importance for the long run, although with only a limited immediate impact, were the formulation of an active manpower policy, the development and expansion of training and other programs to implement it, and the beginning of a massive attack on poverty.

As a result, employment picked up additional strength during 1964. The employment rise of 1.5 million exceeded the labor force increase, and unemployment declined by nearly 300,000, bringing the unemployment rate below the 5-percent mark by the end of the year. Capital investment and consumer buying both made strong gains, but housing and Federal expenditures showed little net increase. Prices remained relatively stable, even while consumer and business demand were being stimulated and unemployment was being reduced.

By the end of 1964 and early 1965, signs were appearing that the well-balanced growth of the previous 4 years had become both a capital investment and a consumer durable goods boom. The speedup in growth in 1964 was at last bringing down the unemployment rate, but it was also beginning to affect prices. Wholesale industrial prices averaged a little higher in 1964 than in 1963, for the first advance since 1959. Furthermore, the psychological effect on investment and consumer demand of prolonged, uninterrupted economic growth was becoming steadily more important.

[1] *Economic Report of the President*, January 1964, p. 3.

THE VIETNAM BUILDUP

The goal of steady progress to full employment without unreasonable price rises was within sight when the military situation in Vietnam suddenly changed in mid-1965 and set in motion the economic stresses which characterized 1966 and subsequent years. The sharp Vietnam buildup began, largely unexpectedly, at the very time the economy was already being propelled toward full employment by surging civilian demand. The enormous increase in defense expenditures was much more inflationary than a corresponding rise in civilian production since, by raising incomes, it augmented civilian demand while producing nothing to fill that demand and, in fact, withdrew manpower and resources from the civilian economy. In the 2 years after mid-1965, increased defense expenditures generated a total of 1.8 million jobs—some 700,000 in the Armed Forces and about a million in private industry.

The defense acceleration and its effect upon business and consumer psychology resulted in urgent demands on productive capacity and labor supply and mounting pressures on prices and labor costs. Real GNP rose at an annual rate of 8 percent in the latter part of 1965, equaling in rapidity the rates of growth more commonly associated with the rebound after a recession. At the same time, manufacturing capacity was growing at an annual rate of 6 percent but not keeping up with output. Only housing failed to share in the 1965 boom.

Official policy—monetary beginning in 1965 and fiscal in 1966—therefore had to be aimed increasingly at restraining the economy instead of stimulating it. Since the risk was always present that the restraint might become too severe, and since the dilemma of higher or lower unemployment versus less or more inflation became increasingly difficult to resolve, policy veered between contraction and expansion.

The civilian labor force grew rapidly in both 1965 and 1966 in response to the new demands but still did not rise as much as employment. (See table 1.) In 1966, for the first time in 13 years, unemployment dropped below the interim target of 4 percent set by the Administration in 1962. In

1967, the employment increase was more moderate as a result of the brief inventory adjustment that occurred in the early part of the year. It was about as large as the increase in the labor force, so that the level of unemployment was virtually unchanged.

Nearly all employment gains in the 10 years after the Korean war had occurred in the service-producing industries. After 1963, large gains in those industries still continued, and even accelerated, but heavy capital goods investment, record consumer purchases of goods, especially durables, and space and defense spending sharply boosted the demand for manufacturing workers. The resulting expansion in factory employment was primarily in full-time jobs for the higher skilled and better paid blue-collar workers, and scattered shortages of special types of labor were reported.

Even though large numbers of unemployed persons and new entrants in the labor force obtained jobs as a result of overall growth, this period revealed clearly—for the first time—that economic expansion alone was insufficient to employ many people who had been bypassed in the general advance because of inexperience, lack of skills, and cultural deprivation.

THE PRESSURE ON PRICES

Coincident with the 1965 decline in unemployment, prices rose more rapidly. Perhaps the most disturbing development in terms of the wage-earner was a sudden sharp advance in the price of food. Farm prices had been trending downward for several years, mostly because of increasing supplies, but in the spring and summer of 1965 the supply situation was sharply reversed and retail food prices experienced the sharpest rise in any 4-month span since 1950. Wholesale industrial prices also rose at a more rapid pace, passing the 1959 level for the first time.

The stresses developing in 1965 worsened in 1966. Unit labor costs, which had been fairly stable from 1961 through 1965, rose strongly in 1966. Federal defense outlays increased sharply all during the year; business fixed investment continued to grow substantially, although somewhat more slowly than in 1965; and the capacity utilization rate reached the highest level since 1953. The urgent demand for goods and heavy backlog of unfilled orders encouraged increases in prices which, in addition, were showing the effects of rising costs.

Some fiscal restraints were introduced, notably a speeding up of tax collections, but the major effort at cooling the economy was made in the monetary sector. The rise in capital investment slackened significantly in late 1966, homebuilding dropped off sharply, and inventories, especially of durable goods, backed up. As a result, real GNP failed to rise for one quarter at the beginning of 1967. During this brief economic adjustment in early 1967, growth in goods-producing industries leveled off; overall nonfarm employment held at the late 1966 level throughout the spring; and there was a slowdown in further improvement in the unemployment situation among Negroes, teenagers, unskilled workers, and the long-term unemployed.

The sustaining forces in the economy, however, were too strong to permit more than a slight faltering. Monetary policy became actively easy again very early in 1967 and stayed that way for about a year. A major beneficiary of easier credit was the housing industry, which recovered with remarkable rapidity. The Federal Budget also became highly expansionary, as tax receipts leveled off in the first half of 1967 while expenditures—especially for defense, medical, and welfare payments—increased sharply, producing a very large deficit.

With the resumption of economic growth in the second half of 1967, rising costs were becoming increasingly important. Industrial prices began to rise again, and consumer prices increased steadily throughout 1967, although a little less than in 1966 because of a smaller increase in food prices.

Similarly, by the second half of 1967, the labor force and employment began to rise sharply. All of the additions were adult workers, reflecting the coming of age of large numbers of post-World War II babies who reached age 20 during 1967.

The continuation of inflationary pressures in 1968 prompted imposition of a temporary 10-percent surcharge on personal and corporate income taxes, and a ceiling on most Federal Government expenditures and employment. Despite these restrictive fiscal measures, growth continued at a fairly rapid pace in 1968. GNP growth averaged about $20 billion per quarter, with about half of the increase reflecting higher prices; overall prices (as measured by the GNP price deflator) were in-

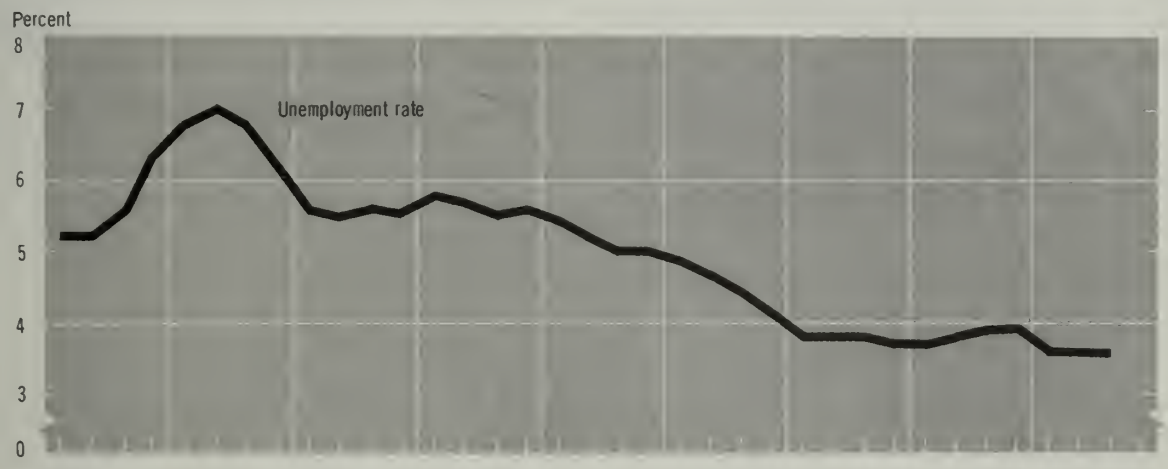
creasing at a 3.8-percent annual rate. Throughout the year, manufacturers were operating at a rate fluctuating close to 85 percent of capacity, somewhat below the preferred rate, and residential building showed little further increase, reflecting renewed tightening of credit. Federal Government expenditures also showed little growth after midyear; most of the increase in total government purchases came from State and local spending. However, the overall real growth rate of the economy was above 5 percent, close to the average for the entire 1961–68 period, because of strength in consumer buying and government purchases.

Even while efforts were underway to slow the rate of economic growth and curb the threat of inflation, the employment situation continued to improve.

While the increase of 1.5 million jobs in 1968

CHART 1

Unemployment rate has declined sharply in the 1960's . . .



while employment rose steadily.

Source: U.S. Department of Labor.

was not exceptional compared to other years of sharp growth, it was noteworthy as a continuation of prolonged, uninterrupted employment expansion. The best average employment gain in any 7-year interval in the 1947–61 period was 40 percent lower than the 1.4 million average yearly gain from 1961 to 1968.

The unemployment rate, after fluctuating around 3.8 percent in both 1966 and 1967, moved down to a new plateau of around 3.6 percent in 1968. The additional improvement occurred primarily among adult men and women; unemployment of teenagers was virtually unchanged from the preceding 2 years. The overall unemployment rate was down by almost half from its 1961 level. (See chart 1.) For adult men the reduction was over 60 percent, as shown by the following figures:

	Unemployment rate	
	1961	1968 [1]
Total	6.7	3.6
Men, 20 years and over	5.7	2.2
Women, 20 years and over	6.3	3.8
Teenagers, both sexes	16.8	12.8

[1] Estimated.

The reduction in the unemployment rate since 1961 reflected a removal of nearly 2 million workers from the ranks of the unemployed. Unemployment dropped from an average of 4.7 million persons in 1961 to 2.8 million in 1968, with most of the decline among adult men. Over half of the reduction in joblessness occurred among the long-term unemployed. The number of persons unemployed for 15 weeks or longer fell from 1.5 million in 1961, or nearly one-third of the total unemployed, to only 450,000 (15 percent of the total) in 1968.

The employment expansion since 1961 has been notable not only for its magnitude and unprecedented duration but for its pervasiveness—for the increased opportunities it has brought to workers in practically all major industries and occupations in all regions of the country. Most significantly, it has also led to considerable breaching of the barriers to employment of Negro workers.

This section maps the recent employment advance from all of these points of view. The shortcomings of this advance, as evidenced by the continuing high rates of unemployment in particular groups and geographic areas, are discussed in the following section.

INDUSTRY EMPLOYMENT TRENDS

The number of workers on nonfarm payrolls expanded, virtually without interruption, in almost all major industries between 1961 and 1968.[1] (See charts 2 and 3.) By 1968, nonfarm payroll employment averaged almost 68 million, 14 million more than the average for 1961 and the highest level in the Nation's history.[2]

Employment in the goods-producing sector of the economy—manufacturing, mining, and construction—increased during the 1961–68 period by almost 4 million, to more than 23½ million workers in 1968. (See table 2.) A revival of employment growth in manufacturing, which accounts for over

[1] The figures on employment cited previously are based on surveys of individuals in the population; the figures in this section, which show industry employment, are based on employer payroll records. The changes in payroll employment tend to be sharper than those based on population surveys and the levels are different for a variety of technical reasons. Nevertheless, they both reflect the same underlying economic influences and show generally similar trends.

For a technical description of the two kinds of employment data, see the "Technical Note" in any monthly issue of *Employment and Earnings,* published by the Department of Labor.

[2] Data for 1968 are estimated.

TABLE 2. NONFARM PAYROLL EMPLOYMENT BY INDUSTRY DIVISION, 1961 AND 1968

[Numbers in thousands]

Industry division	1961	1968 [1]	Change, 1961–68 [1]	
			Number	Percent
Total	54,042	67,930	13,888	25.7
Goods-producing industries	19,814	23,571	3,757	19.0
Mining	672	622	−50	−7.4
Contract construction	2,816	3,245	429	15.2
Manufacturing	16,326	19,704	3,378	20.7
Durable goods	9,070	11,556	2,486	27.4
Nondurable goods	7,256	8,148	892	12.3
Service-producing industries	34,229	44,359	10,130	29.6
Transportation and public utilities	3,903	4,338	435	11.1
Trade	11,337	14,067	2,730	24.1
Finance, insurance, and real estate	2,731	3,341	610	22.3
Service and miscellaneous	7,664	10,461	2,797	36.5
Government	8,594	12,152	3,558	41.4
Federal	2,279	2,735	456	20.0
State and local	6,315	9,417	3,102	49.1

[1] Data for 1968 are estimated.

NOTE: Detail may not add to totals due to rounding.

CHART 2

Dramatic rise in nonfarm employment in 1960's was dominated by resurgence in manufacturing...

Note: 1961-67 annual averages; 1968, 10-month average.
Source: U.S. Department of Labor.

four-fifths of total employment in the goods-producing industries, was primarily responsible for this dramatic recovery; employment in contract construction rose only moderately and mining employment continued its long-term downtrend. Altogether, the goods-producing industries accounted for over one-fourth of the total nonagricultural employment expansion of the period—their best performance in the post-World War II era and a record which helped to allay fears about the ultimate disappearance of production jobs because of automation.

Even so, the service-producing industries—trade, services, transportation and public utilities, finance, insurance, real estate, and government—continued to be the chief source of new employment opportunities. Employment in these industries rose by 10 million during the 1961–68 period, about twice the increase of the previous 8 years. Not only was the job expansion large, but it was uninterrupted year after year—providing a source of stability in the economy to offset the more irregular employment growth in the goods-producing industries.

Manufacturing

Manufacturing employment jumped by almost 3.5 million workers between 1961 and 1968, after a decade of negligible growth. By the close of 1968, employment in manufacturing was at an alltime high of nearly 20 million. The increase during the past 8 years represented the longest sustained rise in manufacturing employment during the postwar period. It continued despite the widespread introduction of technological innovations and substantial increases in productivity.

Most of the gain in manufacturing employment between 1961 and 1968 occurred in the durable-goods industries, spurred by strong consumer demand for automobiles, television sets, and other hard goods and, from about 1965 forward, by the Vietnam war. Employment in these industries rose by 2.5 million during the period, to a record 11.6 million in 1968. By way of contrast, from the end of World War II to 1960, employment in the hard-goods industries had increased, in short and interrupted spurts, by only 1 million altogether.

The five major metals and metal-using industries—primary metals, fabricated metals, machin-

ery, electrical equipment, and transportation equipment—grew particularly rapidly. Employment gains fell off briefly in 1967, however, as suspension of the investment tax credit in 1966, strikes in the automobile and primary metal industries, and a short period of readjustment to a high inventory-sales ratio helped to slow down production. Growth in these industries resumed in the latter part of 1967 and continued through 1968, although not at the same rapid pace as in 1965 and 1966.

The impact of the Vietnam war on employment expansion in the durable-goods industries was greatest in 1965 and 1966 and especially apparent in industries oriented heavily toward defense—ordnance, communications equipment, electronic components, aircraft and parts, and shipbuilding and repairing. After growing slowly in the early sixties, aggregate employment in these industries increased rapidly from 1965 forward, accounting for almost one-half of the total job growth in durables between 1965 and 1968.

Employment growth in the nondurable-goods industries, both in rate and in volume, was small relative to that in the durable-goods industries. Nevertheless, the 1961–68 pickup in employment in these industries was the most rapid since World War II—totaling 900,000 over the 1961–68 span, compared to less than 400,000 in the 1946–60 period. The apparel, rubber, and chemical industries posted the largest employment gains, with each industry adding about 200,000 workers to its payroll.

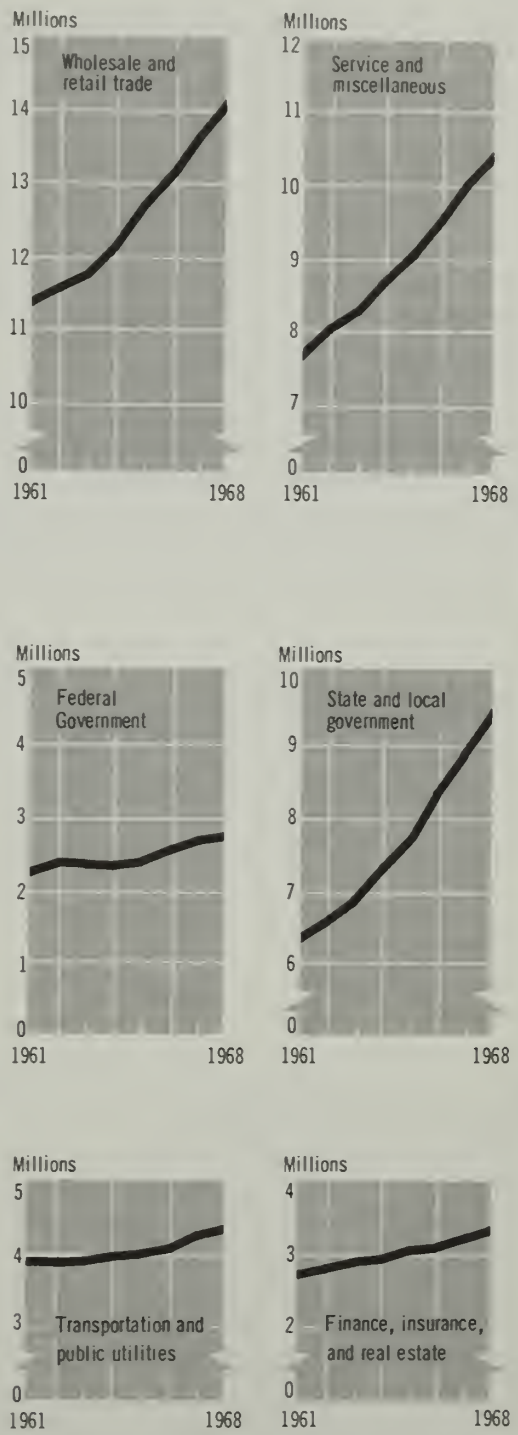
Contract Construction and Mining

Contract construction employment—which in the late 1950's had exhibited little growth—also began to rise after 1961, in response to the demands generated by an increasing population with rising income and the acceleration in overall economic activity. Nearly all of the 425,000 employment increase occurred between 1961 and 1966. In 1967–68, restrictive credit conditions reduced the rate of advance in new construction activity and temporarily halted employment growth as well. Over the 1961–68 period as a whole, employment rose by about 15 percent, to 3.3 million.

Employment in mining fell by 50,000 over the past 8 years to 625,000 in 1968. The rate of decline

CHART 3

. . . along with continued rapid growth in service-producing industries.



Note: 1961-67 annual averages; 1968, 10-month average
Source: U.S. Department of Labor.

appears to have attenuated toward the end of the period.

Trade

About 2.7 million jobs were added in wholesale and retail trade in the 1961–68 period, representing a 25-percent increase in the industry's work force. Following several years of slow and erratic growth, the pickup in trade in the 1961–68 period provided an important source of employment for women and youth entering the labor force. The recent growth in trade employment came about despite the industry's increasing reliance on self-service techniques, automatic materials handling equipment, and vending machines.

The greatest numbers of new jobs in retail trade were in restaurants and other prepared-food establishments, but new jobs were almost as numerous in general merchandising establishments, including department stores and mail-order houses. There was also a major employment expansion among automobile dealers, service stations, and food stores.

Employment growth in wholesale trade was less rapid and was concentrated in fewer component industries. Establishments selling machinery, equipment, and supplies accounted for one-third of the 650,000 employment gain in wholesale trade generally; the sharp rise in business expenditures for the modernization and expansion of production facilities was a major factor contributing to employment growth in this branch of wholesale trade.

Service Industry Group

The service industry group,[3] which includes a wide variety of personal, business, health, and educational services, added 2.8 million workers between 1961 and 1968, an employment increase of 36 percent. With employment totaling 10.5 million in 1968, this group accounted for 15 percent of all nonfarm employment; at the end of World War II, it had accounted for little more than 11 percent.

Private medical and other health services posted the largest employment gain—from 1.6 million workers in 1961 to 2.6 million only 7 years later. Increases in private hospital employment accounted for over half of this expansion. Factors contributing to the gain were the increasing size of the population (especially the very young and very old), higher standards of health care (connected in part with higher incomes), expanding services resulting from new medical techniques and drugs, increased medical research, extension of private medical insurance plans, and the public-supported program of medical care for the aged. It should be noted that these figures (like others in this section) include only wage and salary workers, and hence omit most doctors and dentists and many other self-employed practitioners.

Employment also grew significantly (by 600,000) in miscellaneous business services (advertising, direct mailing, trading-stamp services, photofinishing, employment agencies, and so forth), and by 300,000 in educational services (private schools, colleges, and universities). In addition, there was substantial job growth in such personal service operations as beauty parlors, barber shops, and dry cleaning establishments—reflecting rising levels of living and changing social patterns, including the increasing urbanization of the population.

Finance, Insurance, and Real Estate

Employment growth in finance, insurance, and real estate—amounting to 600,000 over the 1961–68 period—was more moderate than the gains in the other service-producing industries. In this industry group, employment increases may have been held down by wider use of computers and other mechanized techniques, though the net employment effects of these innovations in this period are by no means certain as yet.

The majority of the new jobs were with banks, insurance companies, credit agencies, and stockbrokers. Together, these businesses accounted for three-fourths (about 450,000) of the total job increase in the finance, insurance, and real estate group.

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[3] Some of the conventional references to "services," intended to add analytical insight, may also serve to confuse. For clarity, the usage in this report is as follows:

Service industry group includes industries designated in the Services Division of the Standard Industrial Classification, numbered from 70 to 89 under that classification.

Service-producing industries encompass not only the service industry group, but also include trade, government, finance, insurance, real estate, and transportation and other utilities.

Service occupations include custodial workers, waiters, barbers and beauticians, etc., who may be employed in any industry.

Transportation and Public Utilities

The 1961–68 job gain of 435,000 in transportation and public utilities was the smallest recorded for any of the major service-producing industries. However, in 1961, employment in this industry group was at its lowest level in nearly 15 years. That it resumed even moderate growth was a significant development—probably associated with the renewed expansion in the goods-producing industries, which provide the transportation and utility industries with a large part of their business.

Federal, State, and Local Governments

Employment growth in government in the 1961–68 period far surpassed that in any other major industry group—amounting to 3.6 million, twice as much as during the previous 8 years. Almost 9 out of every 10 of the added jobs were in State and local governments, where employment grew by 3.1 million, or 50 percent. Federal employment increased by not quite half a million, or 20 percent, in this period.

Two-thirds of the gain in State and local government employment—an increase of about 2 million—occurred in public school systems (including higher education). Health and welfare programs, protective and recreational services, and sanitation and highway needs also accounted for a significant part of the job growth at the State and local levels.

A relatively large part of the increase in Federal employment in the 1961–68 period occurred in the Department of Defense, mainly as a result of the Vietnam war. But increases in the work of the Post Office and new legislation in such areas as medical care, civil rights, education and training, housing and urban development, and transportation also contributed to employment gains in other Federal agencies.

HOURS OF WORK AND EARNINGS

The Workweek

The enormous increase in output over the 1961–68 period was accompanied by a substantial employment advance but not by a lengthening of the average workweek. In fact, in the total private economy, the average workweek of production and other nonsupervisory workers on private payrolls declined from 38.6 to 37.8 hours between 1961 and 1968.[4]

Substantial increases in average hours of work occurred in two major industry groups—mining (2.2 hours) and manufacturing (1 hour). There were smaller increases also in contract construction and finance, insurance, and real estate. But the added working hours in these industries were more than offset by a sharp decline in the average workweek in trade (2.2 hours). The shorter average hours in trade reflected increasing use of part-time workers.

Most of the increase in weekly hours in manufacturing occurred in durable-goods industries, particularly in the major metals and metal-using industries. Average overtime hours in manufacturing also rose over the period, from 2.4 to 3.5 hours. Overtime hours were highest (3.9 hours) in 1966, when labor shortages were reported in a number of areas. They have since leveled off at a still high figure.

Earnings

Earnings of production and nonsupervisory workers in the private economy increased substantially in the 1961–68 period. Average hourly earnings rose from $2.14 in 1961 to $2.84 in 1968, and average weekly earnings increased from $83 to $107.

Even though rises in consumer prices ate into these gains in earnings, the real weekly earnings of workers (gross earnings adjusted for price increases) increased almost 12 percent, or an average of 1.6 percent each year.

The construction industry showed the largest rise in weekly earnings (4.7 percent annually), mainly because of a strong advance in wage rates (rather than a longer workweek). In mining and manufacturing, increased weekly earnings were the result of gains both in wage rates and the length of the workweek. The rise in weekly earnings for workers in the finance industries was nearly all attributable to higher hourly earnings.

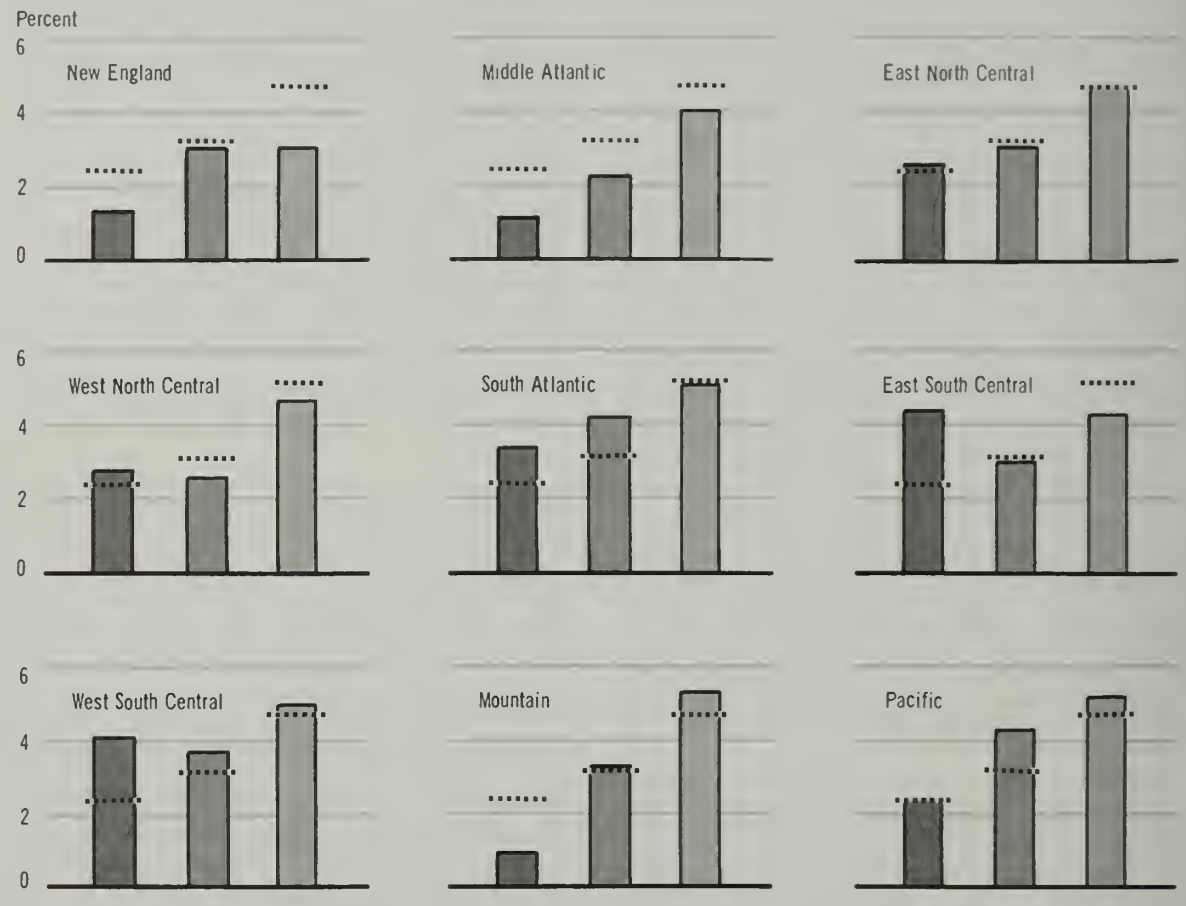
[4] Changes in the average workweek reflect not only the state of business activity and changes in custom (for example, the 5-day week) but shifts in the use of part-time workers. In addition, the continued reduction in the average workyear, resulting from increased paid holidays and vacations, is not reflected in the figures on the workweek.

CHART 4

South Atlantic and West South Central regions exceeded national average in employment growth in both goods- and service-producing industries.

Annual average rate of employment changes in goods- and service-producing industries and government, 1961-1968. 1/

Goods-producing | Service-producing | Government | ····· Average, all regions 2/



1/ 1968 data are preliminary.
2/ See note below.
Source: U.S. Department of Labor.

Note: Composition of regions is as follows:

NEW ENGLAND
Maine
New Hampshire
Vermont
Massachusetts
Rhode Island
Connecticut

MIDDLE ATLANTIC
New York
New Jersey
Pennsylvania

EAST NORTH CENTRAL
Ohio
Indiana
Illinois
Michigan
Wisconsin

WEST NORTH CENTRAL
Minnesota
Iowa
Missouri
North Dakota
South Dakota
Nebraska
Kansas

SOUTH ATLANTIC
Delaware
Maryland
Dist. of Columbia
Virginia
West Virginia
North Carolina
South Carolina
Georgia
Florida

EAST SOUTH CENTRAL
Kentucky
Tennessee
Alabama
Mississippi

WEST SOUTH CENTRAL
Arkansas
Louisiana
Oklahoma
Texas

MOUNTAIN
Montana
Idaho
Wyoming
Colorado
New Mexico
Arizona
Utah
Nevada

PACIFIC
Washington
Oregon
California
Alaska
Hawaii

In trade, the increase in weekly earnings was relatively small, because of the reduction in the average workweek; hourly earnings, however, moved up sharply, due partly to advances in the Federal minimum wage.

REGIONAL EMPLOYMENT DEVELOPMENTS

Every region of the country has shared in the expansion of nonfarm employment since 1961. The gains have been most substantial, however, in the more highly industrialized areas, as would be expected in view of the importance of manufacturing as a source of employment growth in the 1961–68 period.[5] (See chart 4.)

Regional Differences in Employment Growth

Highest rates of growth were in the South Atlantic, East and West South Central, and Pacific regions. From 1961 through 1968, nonfarm payroll employment in each of these regions expanded at annual rates of about 4 percent. This was about double the pace in the New England and Middle Atlantic regions, and almost a third higher than the growth rates in the East and West North Central States and in the Mountain region, as shown by the following ranking of regions, according to their average annual rates of employment growth from 1961 to 1968:

Region	*Employment growth rate*
South Atlantic	4.1
West South Central	4.1
Pacific	3.9
East South Central	3.8
Mountain	3.2
East North Central	3.1
West North Central	3.1
New England	2.3
Middle Atlantic	2.0
National average	3.3

Because some regions have so many more workers than others, the relative rates of increase in employment are no adequate indication of the changes in numbers of jobs. Three regions—East North Central, South Atlantic, and Pacific—had some 47 percent of the Nation's employment in 1961 and accounted for 51 percent of the employment gain over the 7-year span.

[5] 1968 data are estimated.

The East North Central region's rate of employment gain from 1961 through 1968 was fractionally below the national rate. Yet the number of jobs added was higher there than in any other region. As in the rest of the Nation, the major job gains—three-fifths of them in this region—were in trade, services, and government. However, manufacturing—especially the metal-producing and metal-using industries, which are concentrated to some extent in the East North Central States—was also a significant source of new jobs. The employment gains in these States were most rapid in 1965 and 1966; they have slackened since then.

The employment growth of 2.3 million in the South Atlantic region—the second largest increase for any region—was shared by all eight States in the region. Employment gains in this region were stronger and steadier than in the East North Central States throughout the 1961–68 period, owing partly to industry differences between the two regions.

Like the South Atlantic region, the Pacific region registered a steady and strong employment rise. Three out of every four of the 2 million new jobs created in the region since 1961 have been in California, with trade, services, and government accounting for some 70 percent of the State's employment rise.

Defense-Related Employment

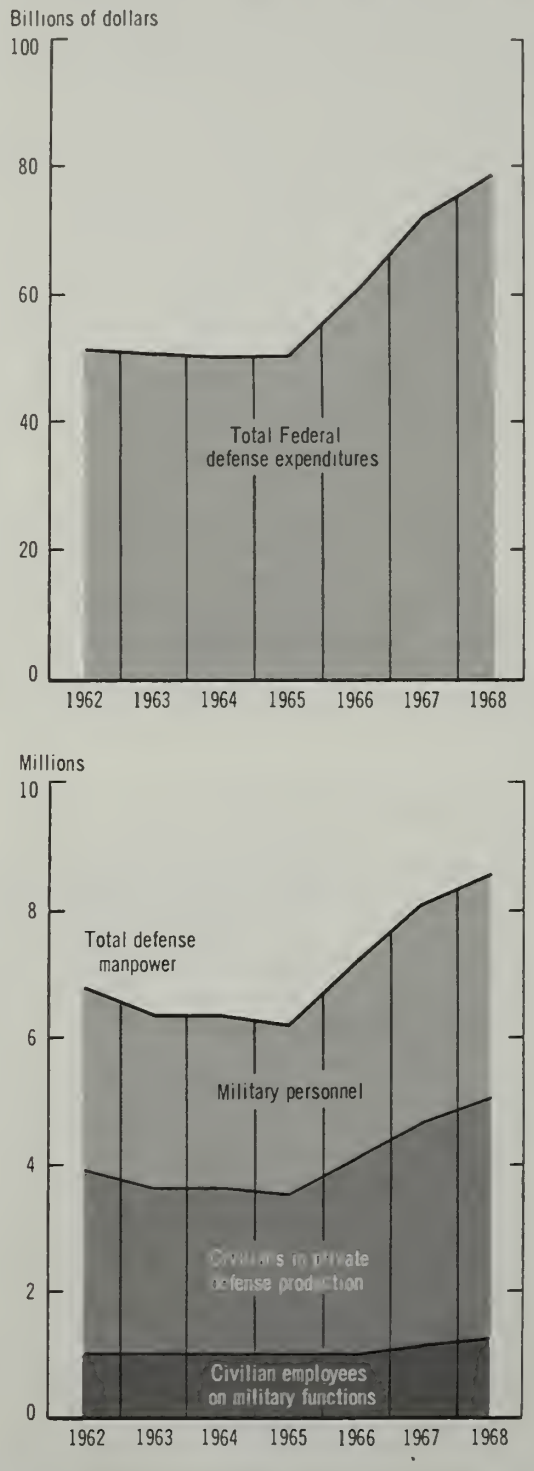
Although higher defense expenditures have led to employment increases in all regions, the impact has been heavier in some sections of the country than in others. (See chart 5.) This difference cannot be gaged exactly, since data are not available on overall defense expenditures within each State. However, the location of the prime contract awards implies to some degree the differential impact that defense outlays may have in different regions.

In fiscal 1968, awards of defense prime contracts amounted to $37 billion, $12 billion higher than in 1962. The largest amount, some 20 percent of the national total, went to the Pacific region. (See table 3.) Within that region, the greatest share, about 90 percent of the regional amount, went to California. A variety of defense-oriented industries—including ordnance, aircraft, and electronics—are located in this State.

The second largest amount of contract awards, about 17 percent of the total, went to the Middle

CHART 5

Sharp rise in defense expenditures has accompanied recent buildup in military and civilian defense personnel.



Source: U.S. Department of Labor. Data on Federal defense expenditures from the U.S. Department of Commerce.

TABLE 3. MILITARY PRIME CONTRACT AWARDS, FISCAL YEARS 1962 AND 1968, AND TOTAL NONFARM PAYROLL EMPLOYMENT, BY REGION, MAY 1968

[Percent distribution]

Region	Military prime contract awards		Nonfarm payroll employment
	FY 1962	FY 1968	
Total	100.0	100.0	100.0
New England	10.9	11.9	6.5
Middle Atlantic	18.7	17.0	20.3
East North Central	12.6	13.1	21.0
West North Central	6.7	7.4	7.7
South Atlantic	10.4	12.0	14.3
East South Central	1.9	3.8	5.3
West South Central	5.8	12.9	8.5
Mountain	4.7	2.3	3.6
Pacific	28.2	19.6	12.8

NOTE: Detail may not add to totals due to rounding.

SOURCE: U.S. Departments of Labor and Defense.

Atlantic States. The East and West South Central States together were third, with slightly less than 17 percent of the overall awards in 1968. Six regions increased their share, while the remaining three showed smaller proportions of prime contract awards.

The region with the largest reduction in its share of prime contract awards was the Pacific region. Its proportionate share of defense contract awards dropped from 28 percent in 1962 to 20 percent in 1968. Underlying this shift were changes in the composition of defense purchases brought about by the Vietnam war and increased procurement of items (notably ordnance) produced primarily in other regions.

The effect of defense expenditures on employment in individual States is significant, but by no means dominant. There are only nine States where 5 percent or more of the workers are employed in defense work, and none where the proportion exceeds 10 percent. (See table 4.) A sharp cutback in defense expenditures could nevertheless have serious employment consequences in these States and, above all, in the localities where defense employment is concentrated, unless countervailing measures are carefully planned and undertaken.

OCCUPATIONAL EMPLOYMENT TRENDS

The occupational changes of the past 8 years were essentially a continuation of the trends in evidence since World War II. These trends can be generalized as a much faster employment growth in white-collar and service occupations than in manual occupations. But there was one development of the early 1960's which significantly modified this long-term trend—the resumption of employment growth in blue-collar occupations. After nearly a decade and a half of remarkably little growth (between 1947 and 1960), employment of blue-collar workers grew each year in the 1961–68 period, providing many well-paid, secure positions for persons without a college education.

The number of white-collar workers first exceeded the number of blue-collar workers in the United States in 1956, and growth in white-collar employment has since continued to outstrip that in other occupational categories. Employment in service occupations has also grown rapidly, with only minor interruptions, throughout the postwar years. The resurgence of blue-collar employment, however, has occurred since 1961—caused primarily by the the large expansion in manufacturing during this period. Between 1961 and 1968, an additional 3.8 million workers were added in blue-collar occupations, raising their employment total to 27.5 million. But the pace of growth in these occupations is still below that in white-collar and service jobs.

Professional and technical workers outdistanced all other major occupational groups in the 1961–68 employment rise—with an increase of 33 percent, or 2.6 million. Nearly all professional fields had employment gains; increases were especially large in teaching, accounting, the health professions, social and welfare work, engineering and scientific work, and computer-related occupations.

Employment of *managers, officials, and proprietors* had a much slower growth—only 9 percent or from 7.1 to 7.8 million between 1961 and 1968. Employment of salaried managers and officials rose fairly rapidly, from 3.8 million to 5.5 million.

But the number of proprietors declined by about one-third, falling to about 2.3 million. This decrease reflected the disappearance of many small stores and other small businesses. Also, many proprietors of relatively small firms incorporated their business, thus becoming salaried managers and contributing to the drop in the number of self-employed proprietors.[6]

Table 4. Defense-Generated Employment[1] for All States Where Such Employment Represented 5 Percent or More of Total Work Force, June 1965 and June 1967

State	Number (thousands)		As percent of total work force	
	June 1965	June 1967	June 1965	June 1967
Alaska	8.8	9.4	9.8	9.8
California	354.4	499.1	4.9	6.5
Connecticut	68.0	96.3	5.7	7.5
Hawaii	20.8	25.3	7.9	8.8
Maryland	70.7	94.1	5.6	6.9
New Hampshire	11.9	18.1	4.5	6.4
Rhode Island	13.4	20.1	3.7	5.3
Utah	28.7	40.2	7.6	9.9
Virginia	112.6	143.1	7.1	8.4
U.S. average	-------	-------	2.7	3.6

[1] Defense-generated employment includes that of the 453 plants measured by the Defense Department's Economic Information Survey, that imputed to all other defense prime contractors not individually surveyed, and civilians employed at military installations. Subcontract employment is included only for the 453 surveyed plants; employment on all other subcontract work, that generated by lower tier suppliers and other indirect or multiplier-effect employment are excluded. See "Regional Effect of Defense Effort on Employment," *Monthly Labor Review*, July 1968, pp. 1 ff.

Source: U.S. Department of Defense, Economic Information System.

Clerical worker employment increased steadily and rapidly between 1961 and 1968, rising to about 12.8 million. This 30-percent increase occurred in spite of the laborsaving effects of electronic computers and other new office equipment—testifying to the mounting volume of paper work in business and government.

Clerical occupations afford greater job opportunities for women than any other occupational field, employing one-third of all women workers. In 1968, 9.4 million women were employed in clerical occupations, 2.6 million more than in 1961. Much of the expansion in clerical employment has

[6] Much of this decline reflects changes which occurred in previous years but were first picked up in 1967 as a result of an additional question introduced into the Current Population Survey. An estimated 750,000 persons were reclassified as salaried workers rather than self-employed as a result of this additional question.

been in part-time jobs, positions desired by many married women.

Sales worker employment increased at a fairly slow pace during the 1961–68 period, rising from 4.2 to 4.6 million. Although the volume of sales increased sharply during the 1960's, the introduction of self-service sales techniques and other efficiencies prevented larger employment growth.

Among the sales occupations that showed particularly strong growth were real estate salesmen, insurance agents, manufacturers' representatives, and wholesale salesmen. Over 85 percent of the persons in these occupations—many of which require college education, plus specialized training—are men.

The number of retail sales workers—the largest category of sales workers and the one most affected by the increased use of self-service techniques and checkout counters—changed very little. Much of the increase that did occur was in part-time work by women.

Craftsmen and foremen had especially pronounced employment increases. It had been the contention of many economists that the advent of mass production and automation would reduce the need for skilled manual workers (and for operatives and laborers as well). Between 1961 and 1968, however, employment of craftsmen and foremen increased by over 15 percent—to a total of 10 million.

The renewed expansion in manufacturing growth was a particularly important factor in the rising employment of craftsmen. Increases in residential and commercial construction as well as roadbuilding were also important to the growth of skilled-worker jobs.

Employment of *operatives* increased by about 20 percent between 1961 and 1968, to a total of 13.9 million. Although the number of workers in this occupational group had shown no growth throughout the 1950's, there have been significant increases in employment of both men and women in operative jobs since 1961, again directly related to the expansion in manufacturing.

Nonfarm laborer employment decreased during the 1950's, giving rise to the fear that jobs for unskilled workers were beginning to disappear. Yet in the 1960's when the bulk of the employment increase has been in jobs requiring more education and training, employment of nonfarm laborers has also increased by over 5 percent.

The major part of the advance in laborer employment occurred in 1964 and 1965. This gain led to conjectures that the market for unskilled labor was reviving. However, the increased use of mechanized equipment to replace manual labor continued to take its toll, and an employment curtailment took place in 1966 from which there has so far been no recovery. Nevertheless, at 3.5 million, the 1968 employment level of laborers remained nearly 200,000 higher than in 1961.

Private household worker employment was unchanged from 1961 to 1964 and has declined steadily since then—falling by 300,000, to 1.7 million in 1968. The low status and pay involved in such employment, the higher educational level of workers newly entering the labor force, and government-sponsored training programs to upgrade other skills have all contributed to the decline. In addition, the rapid economic growth of the 1960's opened up higher paying job opportunities in other low-skilled service and blue-collar occupations, and many private household workers have moved into these jobs. Women represent about 98 of every 100 private household workers.

Other *service workers* outside private households have had a much faster-than-average employment growth. The number of persons employed as service workers rose by more than one-fifth from 1961 to 1968, reaching 7.6 million. Employment increases were steady throughout the period. The number of women service workers rose by 1 million, while the advance for men was 400,000. Particularly large employment gains occurred among protective service workers (policemen and firemen) and in health and food service occupations.

Farmworker employment has continued its long-term decline—falling to 3.5 million in 1968, a decrease of nearly 30 percent since 1961. The number of self-employed farmers fell particularly fast—to 1.9 million in 1968. Employment of farm laborers and foremen dropped by one-fourth, to 1.6 million, but the decrease in their number has leveled off in the last 2 years.

IMPROVEMENTS IN NEGRO EMPLOYMENT

Though inequities in the employment situation among Negroes continue to represent a critical national and local problem, the job progress made by many Negroes has been one of the most heart-

ening developments of the past 8 years. Substantial growth in their full-time employment, coupled with a shift into more highly skilled jobs, has resulted in significant improvements in income and employment for most Negro workers.

Obviously, much more needs to be done to give Negroes economic parity with whites. Negro unemployment rates, though much reduced, still are twice those of whites. Their incomes also lag far behind. Furthermore, Negroes remain underrepresented in many higher skilled jobs and continue to suffer from job discrimination, poor education, and poor living conditions. Nevertheless, the significant advances made in the past few years lend hope that increasing equality of opportunity will permit substantial further improvement.

Employment Growth

Over the last 8 years, job gains by Negroes have outstripped those for whites. Total Negro employment rose by 1.3 million between 1961 and 1968, or by about 20 percent; white employment increased by 15 percent.[7]

Employment gains for Negroes were moderate during the first few years following the 1961 recession. It was in the 1963–66 period of exceptional expansion that Negroes made their greatest gains, and the employment situation for unskilled and semiskilled Negro adults, particularly men, improved substantially. The number of Negroes employed rose 750,000 in this 3-year period to 7.9 million. In 1967 and 1968—when overall growth slowed because of economic readjustment—Negro employment moved up less rapidly but nonetheless increased by 300,000 during these 2 years.

Negro men have made significant relative gains. Over the 1961–68 period, their employment rose much more rapidly than that of white men (by 14 percent versus 8 percent). Jobs for Negro women also opened up in large numbers, and their gains were even greater than for adult Negro men. However, since white women showed the same large employment gains, there was no relative improvement in the employment situation for Negro women.

Negro teenagers also posted substantial job increases in the 1961–68 period, with employment rising somewhat faster than for white teenagers. In 1968, 600,000 Negro teenagers were employed, a 42-percent increase from their 1961 level. However, the increase was insufficient to make significant inroads into the extremely serious problem of unemployment among Negro youth. In fact, since 1961, the increase in the 16- to 19-year-old Negro labor force has actually exceeded their job gains, producing an unfortunate rise in joblessness.

Several reasons can be cited for the significant gains in overall Negro employment. Of foremost importance has been the heavy demand for manpower during the exceptional 8-year expansion of the U.S. economy. With the large numbers of unemployed Negroes available, employers hired workers often identified as the "last hired and first fired," frequently developing training programs to provide them with the skills needed. Occupational training projects stemming from the 1962 Manpower Development and Training Act provided the impetus for many of these training activities.[8] Progress was made also in the restructuring of jobs and lowering of unnecessarily high skill requirements to permit the hiring of Negro workers without the previously required background. The narrowing educational gap between the Negro and white populations may have been another contributing factor. Of course, the reduction of discrimination in hiring and promotions has also played a major role.

Full-Time and Part-Time Employment

The increases in Negro employment have been accompanied by an accelerated rise in the number of Negroes working full time and a corresponding reduction of the number on part-time schedules for economic reasons. Full-time jobs, of course, provide more security and higher incomes than part-time work, and Negro workers have benefited materially from this development.

In 1961, 4.5 million Negroes were on full-time schedules (35 hours or more a week), representing 78 percent of all Negroes at work. By 1968, the number had risen to 6 million and the proportion to 83 percent of the total at work. In contrast, there

[7] Figures for nonwhites, about 92 percent of whom are Negroes, are used to represent developments cited for Negroes in this chapter.

[8] It should be pointed out that the development of job skills below the professional level is still primarily an informal process in the United States. Workers pick up their skills by accumulating experience on the job. Training under MDTA at present covers only a minor fraction of the labor force (considerably less than 1 percent), although its role is often critical for disadvantaged workers and for employers faced by urgent needs for workers.

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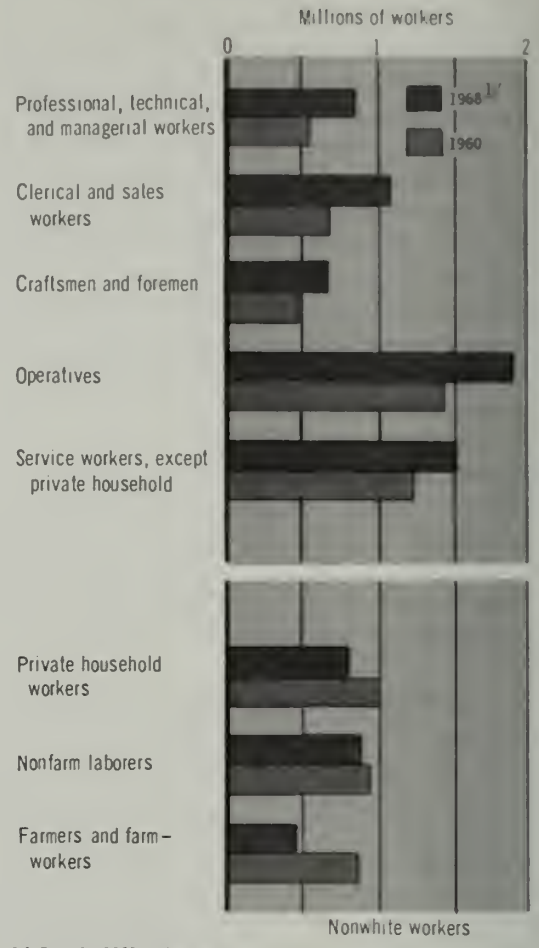
was no substantial change in the proportion of white workers on full-time jobs during this period.

At the same time, a sharp drop was recorded in the number of Negro workers employed part time in nonfarm industries because of slack work, inability to find a full-time job, or other economic reasons. In 1961, 680,000 Negro workers were on short workweeks for such reasons; by 1968, their number had fallen to 410,000. In percentage terms, however, the reduction in involuntary part-time employment among Negroes was no greater than the equivalent decreases among white workers. Thus, while significantly fewer Negro workers are on involuntary part-time schedules than in 1961, there has been no narrowing of the gap between them and white workers in the extent of involuntary part-time work.

Negro gains in blue-collar jobs in the goods-producing industries and in white-collar employment have been key factors in their movement into full-time positions. Also significant has been the decline in those employed in private households, jobs frequently characterized by shorter hours and high rates of involuntary part-time work.

CHART 6

Nonwhite employment shifted to better jobs between 1960 and 1968.



1/ Data for 1968 preliminary.

Source: U.S. Department of Labor.

Occupational Upgrading

One of the most encouraging aspects of the recent employment improvements for Negro workers has been their occupational upgrading. (See chart 6.) During the 1961–68 period, there were increases of 320,000 Negroes in professional and technical positions; 430,000 in clerical work; 220,000 in craftsman and foreman jobs; and 520,000 in operative positions.

As a corollary to these improvements, Negro employment in the less attractive, lower paying, and less secure occupations declined about 640,000 during the period. There were about 230,000 fewer Negroes in private household work and 390,000 fewer in farmwork. The number of Negroes in nonfarm laboring jobs remained relatively unchanged over the period. In the remaining service occupations, which are difficult to categorize according to quality, Negro employment increased by about 270,000.

Negro employment in white-collar occupations totaled 2 million in 1968. This represented more than two-thirds of the net increase in employment of all Negro workers from 1961 to 1968. As a result, the proportion of all Negro workers who were employed in white-collar jobs rose from 16 percent in 1961 to 24 percent in 1968. However, Negroes still represented only 6 percent of all white-collar workers in 1968, compared with 4 percent in 1961.

Negro employment in the professional and technical occupations doubled between 1961 and 1968, with the largest gains in teaching and health services. In clerical occupations, the increase in Negro employment amounted to 80 percent.

Employment gains in the blue-collar occupations occurred among the relatively high-wage craftsmen and operative categories. The number of Negro craftsmen rose by more than 50 percent between 1961 and 1968, with the most rapid gains

among construction workers, mechanics, repairmen, and metal craftsmen. The bulk of the Negro's blue-collar employment gain, however, was in operative occupations, where Negroes have traditionally been employed in large numbers. Employment of Negro operatives rose by 38 percent in this occupational group.

Despite the gains in white-collar and skilled blue-collar jobs, 3.6 million or 44 percent of all Negro workers still remained employed in service, farm, or unskilled laborer jobs in 1968, compared with only 19 percent of all white workers. However, Negro workers were no longer entering these occupations in significant numbers.

Altogether, the events of the past 8 years indicate that a variety of jobs long open only to white workers are now becoming available to Negro workers as well. Although inequalities between white and Negro workers persist, the breakthroughs that have occurred give promise for continued progress toward the ultimate goal of equal opportunity.

In 1968, the national unemployment rate was down to its lowest point in nearly two decades. But there are still pockets of high unemployment and poverty in practically every city and many rural areas and continuing intolerably high unemployment rates in the now-familiar list of problem groups—most notably, youth, members of racial and ethnic minorities, and the unskilled and undereducated generally.

Contrary to the situation at the start of the 1960's, when unemployment was a mass phenomenon, current unemployment is more personal than economic. And attacks upon it must pinpoint the needs of individuals and groups most affected, even though purposive use of economic and fiscal policy continues to be essential to maintain rapid economic and employment growth.

It is now recognized also that unemployment is only one aspect, albeit the most extreme, of underutilization of human resources. The totality of wasted manpower includes, in addition to the unemployed, large numbers of people who have given up the search for work, who can find only part-time jobs, or who—still more often—are confined to the least desirable, lowest paid jobs. Many of these people are members of minority groups—Negroes, Mexican Americans, Puerto Ricans, American Indians—suffering the job disadvantages that come from discrimination, poor education, poor health care, and cultural deprivation.

The rising numbers of older workers in the population point to another group with serious problems of unemployment and underemployment. Because of discriminatory hiring practices by many employers, workers past 45 are particularly likely to experience extended unemployment once they lose a job.[1]

The reasons for continued, active concern about joblessness and underemployment extend beyond general economic considerations and social altruism. Better utilization of manpower would, of course, add to overall productivity and economic growth, help to meet the labor shortages that may arise as full employment is approached, and contribute to rising living standards. But the basic issue is more urgent than any of these. The fabric of our society is threatened when opportunities for some disadvantaged groups lag far behind those enjoyed by the great majority of the population—as should now be abundantly clear from the disturbances that have broken out in many cities.

PROBLEMS OF UNEMPLOYMENT

About 2.8 million persons—less than 4 percent of the labor force—were without jobs in an average week of 1968. These average figures, however, by no means adequately indicate the millions of workers who face unemployment each year. It is estimated that about 11 million workers were jobless at some time during 1968. This figure is almost four times the number unemployed in an average week.

Unemployment falls most heavily on blue-collar and service workers. Two-thirds of the workers with some unemployment during the year were craftsmen, operatives, laborers, and service workers, although only half of all persons who worked during the year were in these occupations. Seasonal irregularities also play an important role in the unemployment picture. For example, workers in the highly seasonal construction industry, whether craftsmen or unskilled laborers, are particularly susceptible to unemployment. In many cases, the period of job hunting for construction and other blue-collar and service workers amounted to 15 weeks or more during the year.

Men in the central age groups, who usually have the heaviest family responsibilities, have no immunity to extensive unemployment. More than 1 million adult men aged 25 to 44 had 5 or more weeks of joblessness during the year.[2]

For about half of the workers who experienced some unemployment, the period of joblessness was short (less than 5 weeks) and essentially transitional—due to such factors as job changes, delay in finding a job upon entrance or reentrance into the labor force, and the usual seasonal layoffs. However, about 2½ million workers were out of work a cumulative total of 15 or more weeks during the year. More than a million workers spent

[1] For a discussion of the unemployment and other problems of older workers, Spanish-speaking minorities, and American Indians, see the sections on these groups in the chapter on Meeting Individual Needs.

[2] These estimates of accumulated weeks of unemployment are based on data for 1967, when the unemployment situation was similar to that in 1968.

at least half the year fruitlessly looking for work. Even when a worker is covered by unemployment insurance, joblessness of such duration often causes severe hardship and usually means the exhaustion of his benefits.

Not surprisingly, the majority of workers who experience extended unemployment also have recurrent spells of joblessness. Of the 2½ million individuals who were out of work 15 or more weeks during the year, almost 3 out of every 5 were unemployed at least two different times during the year. Almost 2 out of every 5 had three or more separate periods of unemployment.

Young Workers

The unemployment rates for teenagers have remained at unsatisfactorily high levels throughout the current period of sustained economic growth. While the unemployment rate for all workers has been nearly halved since 1961, the teenage rate has declined very little during this period. It was still in excess of 12 percent in 1968. The jobless rate of young workers aged 20 to 24 years is substantially lower than that for teenagers, but these young persons also fare poorly in their quest for jobs, as compared with workers in the next older age group.

In 1968, an average of 1.4 million 16- to 24-year-olds were unemployed, including almost 850,000 teenagers. For many of these youth, unemployment meant merely doing without extra pocket money, but for some it meant a vital income loss to their families or even dropping out of school. In any case, productive employment for these 1.4 million unemployed young people would provide them with needed work experience, end a severe waste of manpower, and remove a source of actual and potential social unrest.

Negro Workers

Though the unemployment rate for Negro workers continues to be unsatisfactorily high, twice the rate for white workers, it has decreased markedly in recent years. (See table 5.)

With the gains in employment among Negroes from 1961 onward, their unemployment situation showed corresponding improvement. From 12.4 percent in 1961, the Negro unemployment rate fell below 10 percent in 1964 for the first time in 7 years. By 1968 it had come down to 6.8 percent. Whereas in 1961 nearly 1 million Negroes were unemployed, by 1968 the number had dropped below 600,000.

Long-term unemployment among Negroes was reduced sharply also over the 1961–68 period. In 1961, an average of 350,000 Negro workers—240,000 men and 110,000 women—were unemployed for 15 weeks or longer. By 1968, the numbers had dropped to 40,000 men and 50,000 women.[3]

The reduction in long-term unemployment for both Negro and white workers was attributable not only to the general employment expansion of this period but also to the concentration of effort in training and other government programs, aimed precisely at these disadvantaged groups.

Unemployment of Negro women aged 20 and over declined less dramatically than that of Negro men, because of the increases in the female labor force during the period. Their unemployment rate nevertheless fell from 10.5 to 6.4 percent, a reduction of 40 percent, compared with 65 percent for Negro men.

Negro teenagers failed to share in this improvement. The number that were unemployed rose by 25 percent, and their unemployment rate remained virtually unchanged and disturbingly high—about 25 percent. In consequence, the gap between the unemployment rates for Negro and white teenagers widened, since the unemployment rate for white youth has decreased substantially since 1961. Without the many programs directed at improving the employment prospects of teenagers, it is likely that the unemployment situation of Negro youngsters would have been much worse.

A number of explanations have been offered for the persistently high unemployment rates among Negro teenagers. These include higher school dropout rates resulting in a search for full-time work at earlier ages; inadequate education while in school; high aspirations leading to a reluctance to accept low-paying, low-status jobs; and other, more complex factors. If the causes of this unemployment problem can be identified more precisely

[3] The figures on long-term unemployment for 1968 and 1961 are not completely comparable, because changes in survey methods, designed to make the measures more accurate, lowered the figures beginning in 1967. Although part of the declines shown above are attributable to these changes in measurement (indicated by parallel surveys based on new and old methods), the major part of the difference between the 1961 and 1968 figures represents an actual reduction of long-term unemployment for both Negroes and whites.

through research, more effective corrective action should be feasible, since the numbers of youth involved are not great. In 1968, the total number of unemployed Negro teenagers in the country was fewer than 200,000—only half of them young men.

FORMS OF UNDERUTILIZATION

With the lessening unemployment problems in the past few years, the other forms of underutilization of manpower have come into clearer view.

TABLE 5. EMPLOYMENT AND UNEMPLOYMENT DEVELOPMENTS AMONG WHITES AND NONWHITES, 1961 AND 1968

[Numbers in thousands]

Age, sex, and color	Employment				Unemployment				Unemployment rate		
	Number		Change, 1961–68		Number		Change, 1961–68		Percent		Percent change, 1961–68
	1961	1968 [1]	Number	Percent	1961	1968 [1]	Number	Percent	1961	1968 [1]	
BOTH SEXES											
Total, 16 years and over	65,746	75,757	10,011	15.2	4,714	2,842	−1,872	−39.7	6.7	3.6	−46
White	58,912	67,600	8,688	14.7	3,742	2,247	−1,495	−40.0	6.0	3.2	−47
Nonwhite	6,832	8,157	1,325	19.4	970	595	−375	−38.7	12.4	6.8	−45
16 to 19 years	4,106	5,793	1,687	41.1	827	835	+8	+1.0	16.8	12.6	−25
White	3,692	5,206	1,514	41.0	669	640	−29	−4.3	15.3	10.9	−29
Nonwhite	414	587	173	41.8	158	195	+37	+23.4	27.6	24.9	−10
20 years and over	61,639	69,964	8,325	13.5	3,885	2,009	−1,877	−48.3	5.9	2.8	−53
White	55,220	62,393	7,173	13.0	3,073	1,608	−1,466	−47.7	5.3	2.5	−53
Nonwhite	6,419	7,571	1,152	17.9	812	401	−411	−50.6	11.2	5.0	−55
MEN											
Total, 16 years and over	43,656	48,044	4,388	10.1	2,997	1,437	−1,560	−52.1	6.4	2.9	−55
White	39,588	43,347	3,759	9.5	2,398	1,156	−1,242	−51.8	5.7	2.6	−54
Nonwhite	4,067	4,697	630	15.5	599	281	−318	−53.1	12.8	5.6	−56
16 to 19 years	2,313	3,243	930	40.2	478	422	−56	−11.7	17.1	11.5	−33
White	2,055	2,899	844	41.1	384	323	−61	−15.9	15.7	10.0	−36
Nonwhite	258	344	86	33.3	94	99	+5	+5.3	26.7	22.3	−16
20 years and over	41,342	44,801	3,459	8.4	2,519	1,015	−1,504	−59.7	5.7	2.2	−61
White	37,533	40,448	2,915	7.8	2,014	833	−1,181	−58.6	5.1	2.0	−61
Nonwhite	3,809	4,353	544	14.3	505	182	−323	−64.0	11.7	4.0	−66
WOMEN											
Total, 16 years and over	22,090	27,714	5,624	25.5	1,717	1,407	−310	−18.1	7.2	4.8	−33
White	19,324	24,253	4,929	25.5	1,344	1,091	−253	−18.8	6.5	4.3	−34
Nonwhite	2,765	3,461	696	25.2	371	316	−55	−14.8	11.8	8.4	−29
16 to 19 years	1,793	2,551	758	42.3	349	413	+64	+18.3	16.3	13.9	−15
White	1,637	2,308	671	41.0	285	316	+31	+10.9	14.8	12.0	−19
Nonwhite	156	243	87	55.8	64	97	+33	+51.6	29.1	28.5	−2
20 years and over	20,297	25,163	4,866	24.0	1,367	994	−373	−27.3	6.7	3.8	−43
White	17,687	21,945	4,258	24.1	1,060	775	−285	−26.9	5.7	3.4	−40
Nonwhite	2,610	3,218	608	23.3	307	219	−88	−28.7	10.5	6.4	−39

[1] Estimated.

NOTE: Detail may not add to totals due to rounding.

It is now recognized that these constitute not merely an economic but also a social and psychological problem.

The country's underutilized people may be separated into four major groups (in addition to the unemployed): Workers employed below their actual or potential skill level; persons outside the labor force who desire or need work; full-time, year-round workers with inadequate earnings; and employed persons who are relegated to short workweeks for reasons beyond their control.

The first of these forms of underutilization—employment below the workers' highest skills, capacity, or potential—is impossible to measure adequately. There are probably very few persons who, in this sense, are not underemployed to some extent. The stigmata of this form of underutilization become evident, nonetheless, when it is the result of discrimination or a denial of social and economic benefits which affect job opportunity—education, adequate nutrition and health care, and so on. Through elimination of discrimination and a wider distribution of the educational and other benefits already enjoyed by most of the population, opportunities for workers to realize and utilize their potential abilities can be much increased.

Persons Outside the Labor Force Who Want Jobs

The vast majority of the 52.5 million persons outside the labor force in 1967 did not want regular jobs. They included housewives with family responsibilities, students, retired persons, and disabled persons. The fact that they were not in the labor force was essentially unrelated to the availability of jobs.

An average of about 4.7 million persons who were neither working nor looking for work in 1967 nevertheless wanted a job. For 1.1 million, school attendance was the reason for not looking for work; 760,000 were out of the labor force for health reasons but wanted work; 1.3 million (mostly women) cited family responsibilities as the reason for not seeking jobs; 730,000 thought it would be impossible for them to find work. In many cases, these persons' absence from the work force resulted from conditions that society could eliminate or alleviate.

The 1.3 million housewives who wanted work form an amorphous group. There are many, especially in low-income families, who are simply unable to arrange for child care. The provision of child day-care centers could pave the way to employment for these women, and thus lead to needed additional family income. For many other women, however, the impediment to labor force participation is less clear cut and can be seen mostly as a conflict between their desire for work and their family responsibilities.

For 330,000 men and 430,000 women who wanted jobs, ill health or disability was the reason for not seeking work in 1967. A substantial proportion would undoubtedly have taken part-time or light work if it had been available. Many people with disabilities, of course, reenter the labor force when their condition improves sufficiently. However, they are likely to have above-average difficulty in obtaining a job, even when rehabilitated.

Of particular concern are the 730,000 persons who did not look for work because they believed it would be impossible to find any—the "discouraged workers." Almost one-third were men—80,000 of them between 20 and 64 years old. Presumably, fruitless and discouraging job-finding efforts had led many of them to give up the search for work.

Negroes are more likely to be out of the work force involuntarily than are whites. Relatively more Negroes than whites are forced into this situation by ill health. Many are discouraged by discriminatory hiring practices or, with the addition of even minor handicaps to their already formidable disadvantages, find themselves unable to compete for the limited array of jobs for which they are qualified. The generally low earnings of many Negro families places upon Negro women the burden of adding to the family's income. This creates a situation in which Negro women may urgently want and need a job, even when some impediment prevents them from seeking work.

Involuntary Part-Time Work

In 1968, almost 2 million persons were on short workweeks for economic reasons over which they had no control. One million of these people regularly worked full time (35 or more hours a week) but were temporarily working part time because of slack work or material shortages or because they were waiting to begin a new job. The other million usually worked part time because no full-time work was available.

The curtailment in hours of work and earnings

for involuntary part-time workers is usually sizable. In 1968, they were able to work, on average, only about 20 hours per week. A recent study revealed that two-thirds of the wage and salary earners holding only one job and working part time for economic reasons earned less than $60 a week; almost half earned less than $10. Since many of these workers were married men or female heads of households, the reduction in earnings resulting from their restriction to part-time employment had a great impact on their family income and welfare.

Nonwhite workers are disproportionately affected by part-time employment. About 500,000 nonwhite workers were on economic part time in 1968; they represented one-fourth of all involuntary part-time workers. The high concentration of nonwhite workers in this category is partly a reflection of their entrapment in lower skilled occupations. More than half of the Negroes (mostly women) regularly working part time for economic reasons were in private household work, where part-time employment is typical.

Low Earners

Having a job—but one without adequate income—can be the most galling of employment problems in an affluent society, and perhaps as destructive of individual and family well-being as unemployment. The jobs now held by millions of workers, however, pay substandard earnings—not enough even to raise the worker and his family above the poverty line.

The problem of low earners is a very large one. For example, in the 3 million poor families headed by men under age 65 in 1966, half of these men worked full time all year. Seventy percent were white, with Mexican Americans and Puerto Ricans probably heavily represented in this group. The 1.5 million poor families headed by men working full time accounted for over one-fifth of the total number of poor families. If families headed by women are counted, about 1.8 million families were poor despite the full-time, year-round employment of the family head.

Among the low-earning men who worked full time all year in 1966, about 3 out of every 10 were farmworkers. Many others were nonfarm laborers, service workers, and operatives.

There are disproportionately large numbers of nonwhite workers and women among the low earners. The large proportion of women in service occupations, especially household employment, is one of the main reasons for their frequently low earnings.

Minimum wage standards, both Federal and State, have lifted the incomes of many workers and their families above the poverty levels. The 1966 amendments to the Fair Labor Standards Act—the Federal minimum-wage law—established a floor of $1.60 an hour for workers covered under the law. This hourly rate, however, amounts to only $3,328 annually for persons working full time year round, barely above the poverty threshold for an urban family of four. Furthermore, there are approximately 11½ million nonsupervisory workers in private employment—largely in retail trade, private household, and agriculture—who are still not covered by Federal minimum wage laws. Many heads of poor families are employed in these fields.

The problems are compounded by the fact that these low-paid workers are often excluded from income protection under workmen's compensation systems. This lack of adequate income protection can make their plight much more severe than statistics on unemployment and family income alone can convey.

THE GEOGRAPHY OF UNEMPLOYMENT AND UNDEREMPLOYMENT

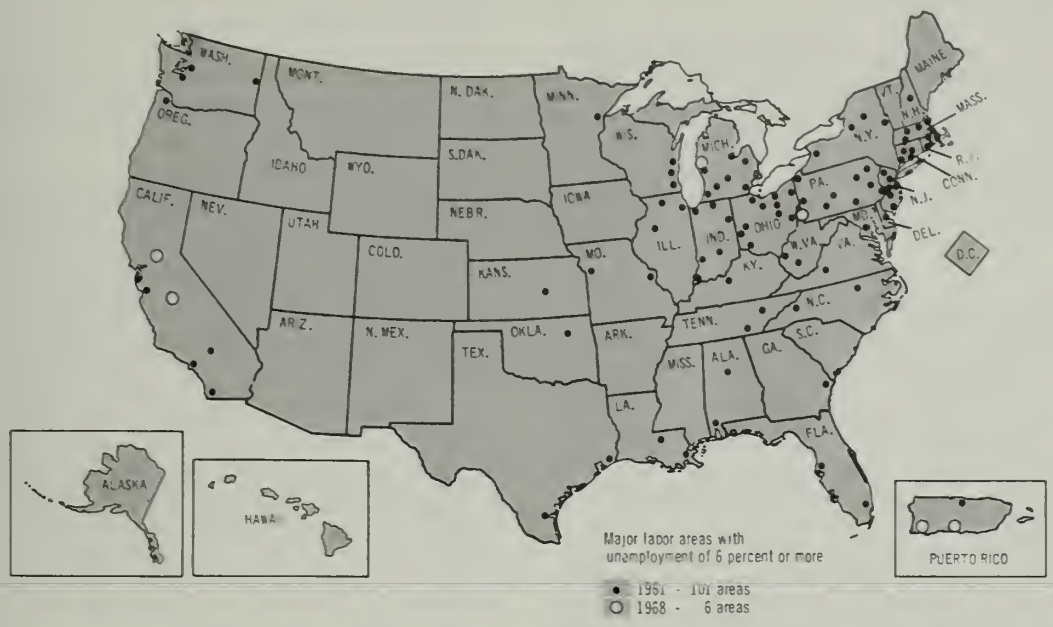
Though unemployment and underemployment are clearly national problems, their impact falls unequally on different cities and local areas and affects some sections of some cities much more than others.

Employment and industrial activity in this country are now highly urbanized—with 2 out of 3 workers employed in 150 major areas. At the close of 1968, when the national unemployment rate was down to 3½ percent, only six of these areas were classified as areas of substantial unemployment—that is, over 6 percent.[4] In sharp contrast, however, was the situation in the spring of 1961, when 101 of the 150 areas had unemployment rates of 6 percent or more. The areas of high unemployment were then concentrated in the indus-

[4] Of the six areas rated as having "substantial unemployment" in the fall of 1968, four (Fresno and Stockton, Calif., and Mayaguez and Ponce, Puerto Rico) have been in this category since 1961. The other two (Muskegon, Mich., and Wheeling, W. Va.) have only recently returned to the list.

CHART 7

Number of depressed areas dropped sharply from 1961 to 1968.



Source: U.S. Department of Labor.

trial regions of the East and Midwest, which bore the brunt of the economic slowdown of the late 1950's (as shown in chart 7).

These findings, of course, provide no indication of the continuing concentrations of joblessness in city slums, even within areas which have low average rates of unemployment. Among the 150 major labor areas, 51 were listed as areas of "low unemployment" (generally under 3 percent) by the end of 1968. These included a number with large slum neighborhoods, where unemployment and underemployment are known to be high—for example, Chicago, Cleveland, Pittsburgh, and Washington.

Even where job growth is rapid, the impact on unemployment is diluted by the influx of new workers into areas of expanding job opportunity. An obvious consequence of this is the increasing concentration of unemployment in urban areas.

In the case of some metropolitan areas—Los Angeles and San Francisco, for example—the failure of unemployment rates to decline in line with national trends *cannot* be attributed to a lack of employment growth. Instead, it can be traced to a large increase in the number of workers lacking skill and education, who are prone to high unemployment.

In both the Los Angeles-Long Beach and the San Francisco-Oakland metropolitan areas, employment growth in recent years was well above the average for the Nation. These areas were also hosts to large numbers of workers who moved from rural and other urban areas. Some came from the Southwest. Some were foreign workers, particularly from Mexico, but many gravitated to the two cities from nearby areas of the State, which had even higher unemployment rates. In Fresno and Stockton, for example, where the population depends heavily on casual agricultural employment, the jobless rates have been persistently among the highest in the Nation, and it is probable that many workers from these areas drifted gradually to the nearby metropolis in search of work.

In two other large cities—Newark and St. Louis—the available data point to an above-average inflow of minority group workers (Negroes in St. Louis; Negroes, Puerto Ricans, and Cubans in Newark) as the main reason for the persistently high rate of joblessness. With high percentages of newcomers in their ranks, it is not too

surprising that the unemployment rates for minority groups remain high in many areas.

Central Cities and Suburbs

While not all cities face severe employment problems, disparity in unemployment rates exists between most urban centers and their surrounding suburbs. This is attributable largely to the exodus to the suburbs of the younger, better educated, and more highly skilled people, which has deprived the cities of workers whose skills are increasingly in demand.

While some Negroes moving to the suburbs gain status, with better jobs, higher income, and improved housing, many simply move from a city slum to a suburban slum. They carry with them the disadvantages of their inadequate education and lack of skills and continue to meet the same discrimination they faced when they lived in the city ghettos.

A survey conducted recently in one of the suburban counties bordering the District of Columbia shows, for example, that nearly half of the 60,000 Negro residents had been able to find houses only in its most blighted sections. Moreover, the percentage of welfare recipients among these residents was still disproportionately high, and their economic conditions were still deplorably low. Apparently many of the employment problems faced by Negroes who move out into the suburbs remain severe.

The great majority of urban Negroes, however, are still concentrated in the central cities, and any major effort to solve the employment problems of this group must be focused on the urban cores. The task here is essentially one of placing people whose capabilities have remained relatively low into jobs that require increasingly higher education and skills. It is a task that is being rendered more urgent by outflow to the suburbs of many low-skill jobs in trade, services, and other fields.

What is needed, therefore, in order to improve the employment situation for central city residents significantly is not only the creation of additional jobs, but also the provision of training and educational opportunities for these workers. These steps, if coupled with needed improvements in urban transportation and other services, would allow the central city residents to compete much more successfully in the changing urban job market.

Urban Poverty

The political boundaries separating a central city from its suburbs do not always delineate the differences in employment situations and living standards of those who are poor and those who are not. The contrast is often obscured by the fact that very affluent neighborhoods are located within the central cities and large pockets of poverty in some suburban rings.

The wide disparity in employment conditions between the urban cores and the remainder of the metropolitan areas emerges more clearly from recent data that contrast the poorest one-fifth of the neighborhoods in the 100 largest urban areas with the other neighborhoods in these areas. Such data, tabulated from the Current Population Survey in 1967,[5] showed that the inhabitants of urban poverty neighborhoods had a much higher incidence of unemployment and weaker labor force attachment than the residents of other urban neighborhoods, and when employed, were generally confined to low-skilled jobs in which work tends to be irregular and earnings low.

The urban poor include a disproportionately large number of Negroes. Out of the 11.6 million persons 16 years of age and over residing in urban poverty neighborhoods in 1967, 4.6 million (or about 40 percent) were nonwhite. In fact, about one-half of all urban Negroes were found to live in poverty neighborhoods, compared with only one-tenth of urban whites. (Although the proportion of whites living in poor areas is smaller, whites, because of their larger numbers, nevertheless constitute 60 percent of the population in these poor areas.)

The average unemployment rate for inhabitants of urban poverty neighborhoods (6.8 percent) was twice as high in 1967 as that for residents of other urban neighborboods. The unemployment rate for men in the prime working age of 25 to 54 years was nearly three times as high in urban poverty neighborhoods as it was in other urban neighborhoods (4.3 compared with 1.5 percent). Since these men are normally the chief breadwinners of their families, joblessness among them is likely to mean significant economic hardship for their families. To compound the problem, about 7 percent of the

[5] See Paul M. Ryscavage and Hazel M. Willacy, "Employment of the Nation's Urban Poor," *Monthly Labor Review*, August 1968, pp. 15–21.

men in this age group residing in poverty neighborhoods were not even in the labor force—that is, they were neither working nor looking for work. This was more than three times the proportion of men outside the labor force in other urban neighborhoods.

Unemployment and Underemployment in Rural Areas

Concern with poverty and unemployment has been focused mostly on urban slums in recent years. Urban unemployment and poverty are highly concentrated, visible, and close to the policymaking centers. Moreover, residents of these slums have recently drawn attention to their problems through riots which have aroused the Nation's concern. However, problems of high unemployment, underemployment, and poverty exist also on farms and in rural nonfarm areas. Altogether, about 11 million rural Americans (or one-fifth of the rural population) lived in poverty in 1966. These rural poor, in fact, outnumbered those in the cities.

Unemployment and poverty have been long-term problems in some rural areas. In the South, for example, the mechanization in the cotton fields and other changes in agriculture have displaced millions of farmworkers over the past half century. In Appalachia the mechanization of the coal industry has also led to widespread joblessness and out-migration. Since this out-migration was usually directed toward urban areas, the present problems of the cities are to a large extent the "second generation" problems of rural areas.

Particularly severe problems of underemployment, widespread poverty, and even malnutrition were recently brought to light in the Mississippi Delta. But problems of similar nature, though not perhaps of similar magnitude, can also be found in other areas of the country, especially in the rural South and Southwest. And the persons most disproportionately affected by poverty in these rural regions are often Negroes, Indians, or Mexican Americans.

While the antipoverty programs instituted by the Government have, to some extent, improved the conditions of residents of rural poverty areas, a solution to their widespread problems of unemployment and underemployment has not been found, nor has sensitivity to the needs of the poor permeated the institutional framework in rural areas to the same degree as in urban areas.[6]

The advancing mechanization of farming continues to reduce the use of hired hands, and more and more of these workers will have to look to other industries for jobs. Unless new industries can be established in rural regions, which has so far proven to be a difficult task, continued out-migration may be the only alternative to mounting unemployment and poverty among farmworkers.

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[6] For a further discussion of the problems of rural workers and programs aimed at meeting them, see the chapter on Meeting Individual Needs.

The economy's need for workers in the 1960's was met by a record increase in the supply of workers. This was a time of rapid increase in the working-age population which fortunately coincided with economic expansion and greatly facilitated employment growth.

The labor force [1] reached a new high of 82½ million in 1968, a gain of over 9 million persons from 1961. The annual average increase of 1.3 million was more than half again as large as the 850,000 average increase in the years 1947 to 1961.

This record rise came from two sources: A very large inflow of young workers and a sharp increase in the number of married women workers. About one-third of the labor force expansion between 1961 and 1968 was among women 25 years old and over, most of whom were married, and over half was made up of youth 16 to 24 years of age. (See chart 8.)

The nearly 5 million increase among young workers grew out of the surge in births that followed World War II. The greater numbers of children born in that period began to reach working age in the mid-1960's. In relative terms, the rise in the labor force of persons under 25 years of age amounted to 37 percent over the 7-year period, nearly triple the 13-percent rise in the overall labor force.

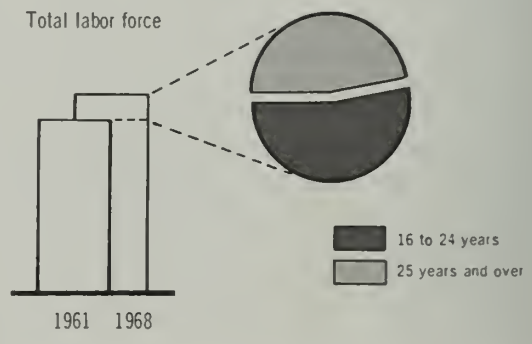
The number of women in the labor force grew three times faster than the number of men. For the first time, married men—the group that has previously constituted the bulk of the labor force—dropped to less than half of all workers.

There were other notable changes in labor supply. In contrast to the large increase among youth and married women, the number of 35- to 44-year-old men decreased somewhat over the period. This age group is an important source of skilled manpower and of new blood for management and executive-level jobs. The decline resulted mainly from the reduced size of the population of this age group—reflecting the comparatively small numbers born during the depression of the 1930 decade. The number in this age group can be expected to decline until about 1975. (See chart 9.) While the population of women in these ages also declined during this period, their number in the labor force rose because greater proportions of these women entered into paid employment.

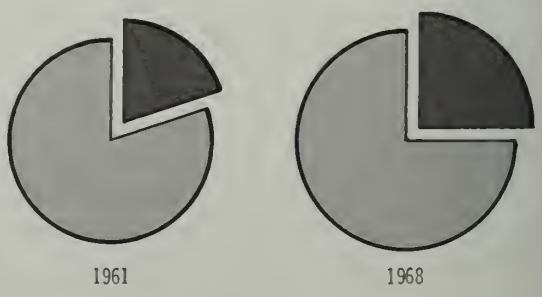
These changes have substantially reshaped the labor force. They have brought problems as well as benefits, affecting many areas of daily life. Because general affluence has increased family incomes and because there are more young workers earning more, young people now have much greater buying power—creating special demands for goods and services tailored to their spending habits.

CHART 8

More than half of the labor force increase between 1961 and 1968 was made up of young workers.



Therefore, the proportion of the labor force under 25 years of age rose significantly.



Source: U.S. Department of Labor.

[1] Except where specifically noted, the references to labor force in this chapter apply to the *total* labor force (civilian labor force and Armed Forces). This treatment is considered more appropriate to the discussion of workers potentially available as a result of population growth and changes in customs and in the social structure.

While many families have larger incomes at their disposal, they also spend more for services and goods formerly supplied by the woman of the house. When mothers with young children work, they have a greater need for child-care arrangements, for prepared foods, and clothing; this in turn provides more paid work for others.

Among older persons, the availability of retirement benefits and other factors have brought about some decrease in the proportions in the labor force. The following section takes a closer look at some aspects of the labor force situation of these various population groups.

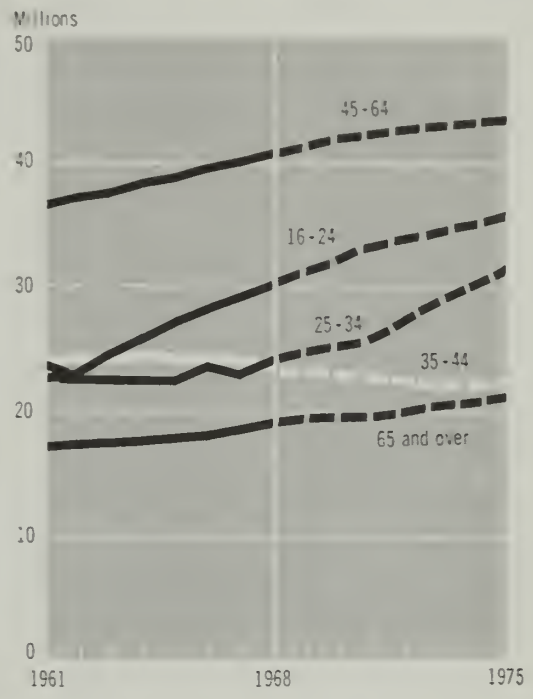
YOUNG WORKERS

The labor force under 25 years of age numbered 13.3 million in 1961 and 18.2 million in 1968. Almost 1 in every 4 persons in the 1968 labor force was under 25; in 1961, the comparable ratio was about 1 in 5.

The relation of the population explosion to these labor force changes is obvious. But there are also strong currents of social change which have been intertwined with the shifting patterns of work and jobseeking among youth during the 1960's.

CHART 9

Population is declining in 35-44 year age group, rising in other groups.



Source: U.S. Department of Labor, based on data from the U.S. Department of Commerce.

The Currents of Change

Young people are standing up to be counted on many fronts—civil rights, politics, religion, on campuses, and in social service work. Notwithstanding the flower children who have temporarily chosen to drop out of society, today's youth, in the main, project an image that is articulate and committed. Their stance has particular significance if one considers the impact of their increased numbers on the political scene.

The cohort that became of voting age in 1967 numbered 2.8 million. In contrast, those born just 1 year later, who were 21 years old for the November 1968 presidential election, totaled 3.8 million. The proportion of youth in the voting population will increase as continuing large groups reach age 21.

One of the most important currents of change affecting youth was in education. School enrollment rates advanced strongly in the 1960's, helped along by government and private programs aimed at encouraging the potential dropout to stay in school.[2] Along with increasing enrollment rates have come rising proportions of young students in the work force. During the last 8 years, the proportion of the 16- to 24-year-old labor force enrolled in school increased from less than a fourth to nearly one-third.

A measure of the progress in educational attainment is the decrease in the proportion of 16- to 24-year-old out-of-school youth in the labor force who were school dropouts. Between 1961 and 1968, the proportion of these young workers who did not have a high school diploma decreased by 10 per-

[2] As one example of the collateral effects of government programs, Ida C. Merriam, in "Young Adults and Social Security," *Social Security Bulletin*, August 1968, pp. 7–19, concluded, "More children are spending more years in school, in part because OASDHI benefits are available to maintain family income even when a breadwinner dies, is disabled, or retires." There are in addition many programs aimed directly at extending schooling.

centage points (to 27 percent).[3] Moreover, more young people are going to college and, of those who do, more are working, as shown by the following October figures for full-time college students:

Year	Labor force participation rate	
	Men students	Women students
1961	31.3	21.9
1963	34.0	23.7
1965	35.0	23.4
1967	37.1	27.5

Thus, it is apparent that longer schooling is accompanied by an increase in the proportion of students who work—most of them in part-time jobs. Young people who previously would have had to go to work full time to bring income into the family are now staying in school with the aid of part-time jobs and higher family income.

An increase in labor force participation of young women is evident not only among those who are students but also among those who are not enrolled in school, particularly married women. In 1961, 16- to 24-year-old women accounted for one-fifth of all women in the labor force; 8 years later, their share was one-fourth. The increase arises from not only a greater number of young women in the population, but also from the greater propensity of these young women to work.

For young men, participation in the civilian labor force has been affected by the Vietnam conflict. Among those no longer in school and of draft age, it has declined somewhat. The proportion going to college has increased very sharply and the number entering military service has risen. Furthermore, some draft-age youth may be discouraged from looking for jobs by employers' preference for hiring the slightly older, family man who is not so likely to be drafted. Both the recent and the prospective impact of military manpower requirements on the young male labor force are discussed in the following section.

The Impact of Military Manpower Requirements

Between June 1961 and June 1968, Armed Forces strength increased from about 2.5 million to over 3.5 million men. This sharp increase has had important effects on the size and composition of the young adult and teenage labor force.

Virtually all of the Armed Forces increase in recent years has been among men under 25. During the past 8 years the average age of the American soldier has declined from 24.5 to about 22.5 years of age.

During the 1960's, the number of men between the ages of 18 and 24 in the population increased from 8.2 to 11.5 million. If the Armed Forces had remained at its 1960 level, the 18- to 24-year-old male civilian labor force could have been expected to increase by 2.2 million; largely as a result of the increased military requirements, however, this group increased by only about 1.4 million.

Fully 80 percent of the young men who enter the Armed Forces have a high school diploma. Thus it can be said that four-fifths of the additional men currently serving in the Armed Forces, who would otherwise be working, have an educational background that would enable them to make important contributions to the civilian economy. Moreover, because of the military's rejection of those with mental and physical disabilities, far fewer of those in the Armed Forces than in the general population have the severe deficiencies that would present problems to their employment.

The absence of these relatively well-educated young men from the civilian job market has, in all likelihood, opened the door of opportunity to other youth with less formal schooling. Though employers prefer to hire workers with high school diplomas for many jobs, even for those jobs that could be handled by workers with less formal education, they have recently found it much less easy to do so. It is likely that some of the decline in unemployment during the last few years reflects, in effect, the substitution in employment of the less-skilled men rejected by the military for the usually better educated men who have gone into the Armed Forces. It is also likely that some of the phenomenal growth in employment among young women during recent years may be due to these same factors.

Effect on School Enrollment. The recent sharp increase in manpower demanded by the Armed Forces also appears to have significantly affected the growing school enrollment among young men. Between 1962 and 1967, while the number of young adult men in the United States was increasing by

[3] Compare this, however, with the 42 percent of nonwhite youth who had at most only 3 years of high school. Despite the indications of a gradual closing in the educational gap between whites and nonwhites, the existing contrast in educational status is a significant factor contributing to the inequality of opportunity between whites and nonwhites.

about 30 percent and their labor force by 25 percent, the number of young adult men in school increased by an astronomical 90 percent. (See table 6.) One-third of this increase reflected population growth in this age group, and some part of it undoubtedly reflects the persistent, long-run upward trend in the proportion of young people going to college. But it also appears that many youth may have taken into account their draft vulnerability and the prospects for a college deferment when they made their enrollment decisions.

The increasing proportion of men aged 20 to 24 enrolled in school (from 23 percent in October 1962 to 31 percent in October 1967) is the single most important reason for the decreasing proportion of young men in the labor force. The overall labor force participation rate in this age group decreased from 86 percent in October 1962 to 82 percent in October 1967, even though the labor force participation of young men out of school has remained unchanged during the past half-dozen years.

Future Implications. Recent regulatory and administrative changes in the military draft have several significant implications for the civilian labor force. About 4 percent of the men inducted into the Armed Forces in 1967 and 1968 had college degrees. Because of the change in the draft laws and regulations in 1967 that eliminated many graduate deferments, the number and percent of college graduates entering the service was expected to rise starting in mid-1968. Early evidence of this pattern is indicated by the fact that over 13 percent of the inductees in the third quarter of 1968 had college degrees. One short-term result of this regulatory change is that temporarily there will be a smaller number of college graduates available for civilian jobs and for postgraduate schooling.

At the same time the Armed Forces are also taking a significantly greater number of high school dropouts. Under the Armed Forces Project 100,000, men who would have been just below prior standards for service are being accepted; with some special assistance, they are now being turned into fully qualified soldiers. Between October 1966 and September 1968 about 140,000 men entered the Armed Forces under this program, 80,000 or 55 percent of whom were high school dropouts. The effort is proving overwhelmingly successful from a military standpoint, as fully 96 percent of the men in this program are successfully completing their military basic training and are going on to further military assignments.

There are significant implications for the civilian economy and for the career prospects of the individuals themselves in this approach, as unskilled, uneducated young men are taken out of the civilian labor force at a time when they are likely to be facing serious employment difficulties and returned several years later after they have acquired more job skills and education to compete for meaningful employment. The first graduates of Project 100,000 returned to the civilian labor force in late 1968. Through this and other programs, the Armed Forces have been playing an important role in supplementing manpower development and training activities in the civilian economy.

TABLE 6. INDEX OF CHANGE IN STATUS OF MEN AGED 20 to 24, 1961–67

[1961=100]

Year	Total population	Total labor force	Armed forces	Civilian labor force	Unemployed	School enrollments
1961	100. 0	100. 0	100. 0	100. 0	100. 0	100. 0
1962	104. 3	101. 6	125. 2	100. 6	83. 4	119. 1
1963	110. 9	105. 5	124. 3	106. 1	86. 6	138. 2
1964	115. 7	110. 0	131. 2	111. 8	84. 0	134. 5
1965	120. 3	114. 3	131. 1	115. 1	68. 0	157. 8
1966	123. 7	118. 4	158. 3	113. 3	48. 4	168. 7
1967	133. 6	126. 2	198. 1	118. 6	51. 4	188. 4

SOURCES: Total labor force, civilian labor force, and unemployed based on annual averages from *Employment and Earnings and Monthly Report on the Labor Force;* total population estimates as of July 1 from the U.S. Department of Commerce, Bureau of the Census; Armed Forces estimates as of July 1 from releases of the U.S. Department of Defense; and school enrollment figures as of October from Special Labor Force Reports of the U.S. Department of Labor.

During the past few years, the primary impact of the military on the civilian economy has been in terms of manpower taken away from the civilian labor force. The civilian economy has in general accommodated to this diversion of manpower without any noticeable impact on production; in fact, the coincidence of military expansion during a period when population growth was high may have served to reduce the unemployment rate of young men.

During the next few years the situation will be reversed, as these Vietnam veterans spill back into the civilian economy. Increasing numbers of relatively well-educated young adults, many with newly acquired skills which are useful in civilian jobs, will be seeking employment. Moreover, these workers will be seeking jobs at the same time that civilian employment resulting from defense spending may be declining. The economy will at that time face the challenge of continuing a high rate of economic growth and employment expansion based on civilian needs, and of making the adjustment quickly and efficiently enough to avert possible spiraling effects which could intensify and prolong the problems of the conversion period.

WOMEN WITH FAMILY RESPONSIBILITIES

Working Wives

The labor force participation of married women arouses widespread interest because of its social, cultural, and demographic, as well as economic effects. Perhaps no other single change in family life has affected so many families in as relatively short a time as has the movement of married women into the labor force. Between 1961 and 1968, the number of wives in the labor force increased by more than one-fourth, three times their population increase, to almost 17 million; in 1968 they were 22 percent of all workers compared with 18 percent in 1961. (See chart 10.)

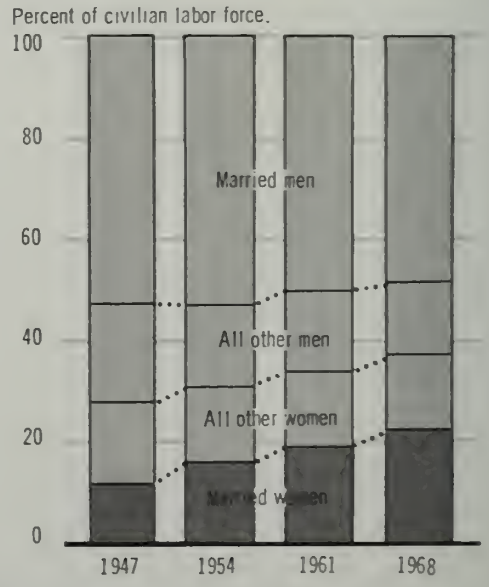
A large proportion of the married women who work are mothers with young children. In March 1967 (the latest date for which details on family characteristics of those in the labor force are available) almost 20 million youngsters under 18 years of age in families with both parents present had working mothers; of these children, 5 million were under 6 years of age. (See table 7.)

The substantial growth in the proportion of young mothers working is one of the major labor force developments of this period. In contrast with the 1940's and 1950's, when gains were more marked among women past age 35, the relative increases in labor force participation of married women have recently been largest among mothers with preschool children. The rapidity of this rise is indicated by the labor force participation rates for 20- to 24-year-old women in comparison with those of women 45 to 54 years old, who for some time have had the highest labor force rates among married women. In 1961, the rates for the two age groups were 10 percentage points apart; in 1967, the difference was less than 4 percentage points, with a rate of 41.1 percent for the younger, and 44.9 percent for the older.

Increases in life expectancy have also contributed to increases in worklife expectancy. At birth, life expectancy for women born in 1940 was about 66 years; worklife expectancy, 12 years. For the girls born in 1960, life expectancy was 73 years at birth; worklife expectancy, 20 years. Variations from these overall averages will be largely determined by differences in demographic

CHART 10

Married women represent a growing proportion of the labor force.



Source: U.S. Department of Labor.

TABLE 7. LABOR FORCE STATUS OF MARRIED WOMEN WITH CHILDREN UNDER 18 YEARS AND NUMBER OF CHILDREN INVOLVED, MARCH 1967

[Numbers in thousands]

Item	Total	Mother was—	
		In the labor force	Not in the labor force
Mothers with children under 18 years old: Number	24,495	8,655	15,840
Percent	100.0	35.3	64.7
Mothers with children under 6 years old: Number	13,120	3,481	9,639
Percent	100.0	26.5	73.5
Children under 18 years old: Number	59,659	19,455	40,204
Percent	100.0	32.6	67.4
Children under 6 years old: Number	20,407	5,074	15,333
Percent	100.0	24.9	75.1
Average number of children per family	2.44	2.25	2.54

and socioeconomic characteristics. For example, the more children a woman has, the shorter her worklife will be, on the average, since the number and age of children are among the significant determinants of labor force participation for women. Also, the higher the woman's education, the greater the probability of working. For example, in 1968, among married women 45 to 54 years old, the labor force participation rate was about 50 percent for those who had completed high school (but did not go to college) compared with about 40 percent for those who did not have a high school diploma.

Women's labor force participation has been a significant factor in the upward climb in family income. In constant dollars (1966), median family income increased by a fifth between 1961 and 1966. The proportion of families with income below $3,000 decreased by 5 percentage points, while the proportion with $10,000 or more increased by 10 percentage points. The earnings of married women who work have significantly influenced these shifts. For those husband-wife families in which the wife was in the paid labor force, the median income was $9,246, or 30 percent more than in families in which the wife was not in the paid labor force.

Married women are, on the average, working longer during the year than formerly. During this period of economic growth, the proportion who worked full time year round rose by 5 percent, and the increase was substantial even among those with preschool children. Expectedly, the proportion of year-round full-time workers is highest among the women with no children under 18 years old, and within that group, the proportion decreases as the women's age increases.

An important factor in the labor force participation of married women has been the availability of part-time jobs. Many of them find part-time work particularly suited to their needs and preferences because of their family and home responsibilities. Between 1961 and 1967, the number of workers employed part time voluntarily in nonagricultural jobs increased relatively three times as much as the number employed full time. In 1967, 3.3 million, or 2 out of 5 of these part-time workers, were married women. If present trends continue, the proportion of all part-time workers who are married women will also continue to increase.

The trends of change are also very marked within the nonwhite women's labor force. For example, the proportion of nonwhite married women employed in clerical occupations has grown while the proportion in private household work has decreased. Strengthening of this trend among married women is indicated by recent developments in the young labor force. In 1967, the proportion of out-of-school 16- to 21-year-old nonwhite women employed in clerical occupations was 2½ times what it had been 3 years before, whereas the pro-

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portions employed in service occupations (including private household) and farm occupations decreased by one-third and two-thirds, respectively.

Family Heads

The proportion of families headed by a woman has remained fairly constant over this period—about 1 out of 10 families. In March 1967, there were 5.2 million women who were heads of their families without husbands present. About half had at least one child under 18 years of age; overall, more than 6 million children under 18 years of age were in these families in which, through death, divorce, separation, or desertion, no father was present.

Over half of the female family heads were in the labor force, and about 3 out of 10 were year-round full-time workers. Many of the others were too old to work.

Generally, the families headed by women have substantially lower income than those headed by men, even when the women work year round full time. In 1966, among families whose heads were year-round full-time workers, the median income of those with a female head ($5,614) was less than two-thirds that of those families with a male head ($8,845). Moreover, a family headed by a woman is three times more likely to have income below $3,000 a year than the family with a male head.

Many of the female family heads cannot work, or are able to work only part time, because of family responsibilities. Many can get only low-paid jobs. And in more than half of the families with earners, there is only one earner, most often the woman herself.

OLDER WORKERS

More than 1 of 6 workers are 55 years of age or older. The number of older workers in the labor force increased by about 1.4 million between 1961 and 1968, about the same as in the two preceding 7-year intervals. The rise resulted from a population gain in the age group that offset a decrease in their labor force participation rates.

All of the rise was among persons 55 to 64 years of age. The increase among men in this age group was modest (8 percent), but there was an increase of more than 25 percent among women, stemming from increased labor force participation rates as well as population growth.

For men, some decline in labor force activity offset population gains. The decline was modest among those 55 to 59 years of age but relatively sharp among those aged 60 to 64. Withdrawals from the labor force have increased largely because, since mid-1961, men 62 to 64 years of age have been able to retire at reduced Social Security benefits. Also, retirement has increased as the number of eligible persons covered by private pensions expanded and the size of benefits, both public and private, increased.

A recent survey [4] on work plans of men not in the labor force showed that a majority of the men 55 to 64 years old who were not in the labor force withdrew because they were sick or disabled. In February 1967, an estimated 1.3 million men 55 to 64 years old (or 16 percent of this age group) were not in the labor force because of illness, retirement, taking time off, or for other reasons. About 60 percent of these men did not want a job at the time of the survey because of sickness or disability. This reason was given by a greater proportion of the nonwhite than white men in the population, a reflection of the higher incidence of poor health among nonwhite persons. Very few of the sick or disabled men reported that they would be able or planned to work within a year. For many of them, inability to work was of long duration.

Retirement was the second most important reason men 55 to 64 years old were not in the labor force, with about 18 percent giving this reason. Thus, of the 1.3 million men in this age group who were not in the labor force, about 1 million or 8 out of 10 were sick, disabled, or retired. The remaining 300,000 were not in the labor force for other reasons, such as temporary withdrawal, inability to work because of family responsibilities, or for personal reasons.

There has been little change in the past two decades in the number of persons aged 65 and over in the labor force. Despite increasing population in these ages, the number of workers has remained at about 3 million because the labor force rates for men (both white and nonwhite) in the age group have declined. Between 1961 and 1968 the rate for men dropped from 32 percent to about 27 percent,

[4] "Work Plans of Men Not in the Labor Force," *Monthly Labor Review*, August and September 1968, pp. 8–14, 35–41.

while the rate for women remained around 10 percent.

Even for those past 65, labor force participation rates rise as educational attainment rises. Thus, among men aged 65 and over, fewer than one-fourth of those who completed the eighth grade or less are in the labor force, compared with over 40 percent of those with 4 or more years of college.

Several factors help to account for the higher labor force rate among those with more education. College graduates tend to hold jobs that are less demanding physically than those held by many other men. Also, since many are self-employed or have needed occupational skills, they are better able to adjust their working hours to suit their convenience than men who are unskilled or semiskilled.

The remarkable progress in American living standards during the 1960's has come not only from fuller use of resources—by putting idle men and idle machines back to work—but also from more efficient use of these resources, reflected in rising output per worker. The average worker in private industry produced about 25 percent more goods and services per hour in 1968 than in 1961; at the same time, a higher proportion of a larger labor force was at work.

Because of the brisk and sustained growth in output, this period will be recorded as one of the most prosperous in the Nation's history and a confirmation of the compatibility of increased efficiency with job growth. In 6 of the 7 years between 1961 and 1968, productivity growth exceeded its post-World War II average annual rate of 3.2 percent. (See table 8.) Yet, over this period, the unemployment rate dropped from 6.7 percent to 3.6 percent.

PRODUCTIVITY AND UNEMPLOYMENT

Gains in productivity have not always appeared so benign. In the 1950's, attention was focused on the persistent rise in unemployment and its relation to advances in technology and productivity.

The post-World War II explosion in scientific knowledge and its application to industrial innovation processes made some observers fear that the American economy had become vulnerable to a cataclysmic growth in productivity with potentially disastrous effects on employment. To these analysts, workers were not only being displaced from jobs by an acceleration in automation but they were also becoming increasingly unable to compete for other work because of transformations in the skill requirements of jobs.

Others argued that technology and productivity could not be blamed for rising unemployment. The substitution of capital for labor, a basic factor in productivity growth, had been an inherent part of our economic system since the industrial revolution. Although some job dislocations could occur in individual processes because of technological change, new jobs would open up as a result of growth in demand and output and prevent any overall increase in unemployment. If growth in overall demand could be maintained, the normal operation of the job market would produce an accommodation between the skills possessed by workers and those required by employers.

The events of recent years suggest that neither of these views is entirely right, or entirely wrong. Rapid and continued economic growth, which has been the crowning achievement of the broad economic policies applied during the past 8 years, has been demonstrated to be the essential prerequisite and major force for creating new jobs for the growing labor force, for overcoming the laborsaving effects of increasing productivity, and for reducing unemployment.

The great majority of workers are able to take advantage of general employment growth resulting from increased demand. But this growth does not automatically restore all displaced workers to jobs with adequate income or stability or provide new jobs to those who are poorly equipped to obtain and hold them. The fact that most workers

TABLE 8. OUTPUT PER MAN-HOUR IN THE PRIVATE ECONOMY, 1961–68 AND SELECTED PERIODS

[Annual rate of growth]

Year	Total private economy	Farm	Nonfarm
YEAR TO YEAR			
1960–61	3.4	7.9	2.9
1961–62	4.8	2.3	4.6
1962–63	3.6	8.9	3.0
1963–64	3.9	1.8	3.7
1964–65	3.3	9.3	3.0
1965–66	3.8	3.2	3.3
1966–67	1.6	12.3	1.0
1967–68 [1]	3.3	[2]	[2]
SELECTED PERIODS [3]			
1947–61	3.2	6.1	2.5
1953–61	2.6	5.2	2.2
1947–68 [1]	3.2	5.9	2.7
1961–68 [1]	3.5	6.1	3.3

[1] Estimated.
[2] Not available.
[3] Average annual rates computed from the least squares trend of the logarithms of the index numbers.

accommodate to changed job requirements and most employers accommodate to the characteristics of available workers does not offset the fact that large numbers of workers and employers do not or cannot make this accommodation—with the resultant hardship to the individuals involved and heavy cost to the economy in wasted human resources and welfare payments.

Manpower development and training therefore becomes an essential supplement to the operation of general economic policy, as well as an arm of social purpose. In the absence of manpower programs, pressures on wages tend to increase as unemployment declines, creating additional pressures on costs and prices. However, new investment in human as well as physical resources permits expansion of output with smaller inflationary effects, by stimulating productivity growth so that rising worker efficiency will offset wage increases. Productivity growth in this way becomes a positive factor permitting more rapid growth in output, greater employment expansion, and rising worker income, with less pressure on prices. For workers who fail to make the accommodation to change, manpower programs are needed at all times; for the economy, these programs are particularly needed to inhibit inflationary pressures as full employment is approached.

PRODUCTIVITY, OUTPUT, AND EMPLOYMENT

The Post-Korean Period

The lack of adequate growth in the economy following the end of the Korean war had adverse effects on productivity growth as well as on employment. Productivity rose by only 2.6 percent per year between 1953 and 1961, or by about four-fifths of its post-World War II average. During this period, output also grew at an average rate of 2.6 percent, or about three-fifths of the rate of increase necessary to maintain full employment under the conditions of productivity and labor force growth then prevailing.

With three recessions in 9 years, the economy operated, on the average, at well below optimum levels. In manufacturing, for example, the average rate of capacity utilization was only 84 percent, compared to an optimum level of 92 percent. Recovery periods were so short lived that the rapid gains in productivity characteristic of such periods hardly had time to take hold. With management unable to plan ahead with confidence—for fear of another recession—new investment in plant, equipment, and manpower tended to be low.

The slow growing economy during 1953–61 had a twofold effect on manpower: it discouraged hiring and it held down the productivity of those at work. The consequences were slow growth in the labor force, relatively high unemployment, and slower progress in raising living standards.

The Recent Experience

Gains in productivity accelerated, however, with the upturn that began in 1961. Growth was, in general, more rapid and more consistent during the 1961–68 period than during any other comparable period since the end of World War II. The increase of about 25 percent in output per man-hour in the 1960's represented an annual rate of 3.5 percent—about a third higher than the average rate of increase (2.6 percent) from 1953 to 1961.

The rapid advances in productivity during the past 8 years reflected the sharp increase in output. The rate of output growth exceeded the postwar average in 7 of the 8 years. In these same 7 years, productivity growth also exceeded its postwar average. The rapid gains in productivity can be attributed to the rising production levels, which made possible fuller, more efficient utilization of plant, equipment, and workers.

Along with the rapid growth in productivity came rapid gains in employment. The rate of employment growth, at 2.1 percent a year between 1961 and 1968, was nearly three times the average rate of increase in employment (only 0.8 percent) during the previous 15 years.

INDUSTRY TRENDS

Because the American economy is predominantly nonagricultural, productivity trends in nonfarm industries as a whole have virtually paralleled those recorded for the entire economy. Output per man-hour in nonfarm industries rose by 3.3 percent per annum between 1961 and 1968, or by about 1½ times the annual increase during the 1953–61 period—figures very similar to those for the economy in general (already cited). In agriculture, however, productivity growth has been

virtually independent of overall changes in the economy.

Patterns of productivity growth have also differed greatly from one nonfarm industry to another. And there is still another factor which has markedly influenced the average productivity increases in the private economy—namely, the shift in employment among industries with widely different levels and rates of gain in productivity. The effects of this change in "industry mix" are considered later in this chapter, following a brief review of productivity developments in agriculture and nonfarm industries.

Farm Productivity

Productivity on farms has continued to grow almost twice as fast as productivity in the nonfarm economy, but not at an accelerating rate. Farm output per man-hour increased by 6.1 percent a year between 1961 and 1968—the same rate of growth as in the previous 15 years (after 1946). This sustained record of productivity advance reflects the more extensive use of mechanization, fertilizers, and insecticides, as well as the savings made possible by larger scale operations. It should be noted, however, that the level of output per man-hour, as contrasted with the rate of change, remains substantially lower in farming than in nonagricultural industries.

Although there has been no apparent change in the high rate of productivity growth in agriculture, the decline in farm employment has accelerated. In the 15-year period ending with 1961, farm employment (hired workers and proprietors) declined at an average annual rate of 3.5 percent. Between 1961 and 1968, the exodus from the farms increased to an annual rate of 4.8 percent.

The more rapid decrease in farm employment reflected both the declining availability of work on farms, particularly where mechanization has eliminated jobs, and the expanded work opportunities in nonfarm activities. With more jobs available in industry at attractive wages, hired workers and marginal farmers have been leaving the farms in large numbers, even though farm output has been increasing by somewhat over 1 percent per year. This shift from farm to nonfarm activities has had significant effects on productivity growth for the private economy as a whole.

Productivity Developments in Nonfarm Industries

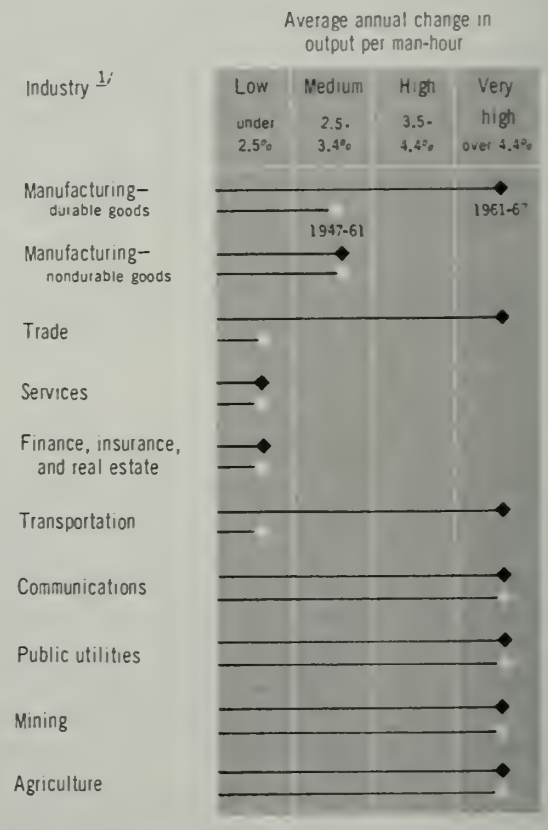
Within the nonfarm economy, the pattern of industry productivity growth has changed in recent years. This can be seen in chart 11, which depicts the relative changes in productivity in 10 major industry groups.

Three of these 10 industries—durable-goods manufacturing, trade, and transportation—experienced a sizable change in their average rate of productivity growth, towards higher productivity.[1]

[1] In the one industry not shown, construction, the method of calculating output for the national income accounts does not permit a valid measure of productivity for that industry.

CHART 11

Productivity gains accelerated in durable goods manufacturing, trade, and transportation industries in the 1960's.



1/ Productivity data for construction are not shown. See text footnote.

Note: This chart shows growth in productivity, not the level of productivity. For example, productivity (output per man-hour) is approximately twice as great in durable goods manufacturing as in agriculture, although the rate of increase is faster in agriculture.

Source: U.S. Department of Labor.

The most dramatic industry change occurred in the transportation, communications, and other utilities group, which shifted from the low productivity to the very high productivity category. In this group, the productivity growth rate during the 1961–67 period was more than double the average annual rate for the previous 15 years. This reflected a tenfold increase in the rate of output, together with a shift from a declining to a rising trend in employment.

Illustrative of the growth in this industry group is the record for air transportation. In 1947, airlines accounted for only 2 percent of the output of the transportation industry. By 1961, the airlines' share had increased to almost 9 percent, and 7 years later it had risen to 16 percent. The growth in airlines reflects changing travel habits, the increasing mobility of the population, and the general rise in income. The airline industry has also been the beneficiary of a number of major technological breakthroughs affecting aircraft speed and passenger capacity, which have contributed to the sharp acceleration in productivity. Similar but less dramatic advances in productivity occurred in railroads, trucking, and other forms of transportation.

Wholesale and retail trade also moved from the low productivity to the high productivity category, reflecting much more rapid increases in output than in employment. Improvement in trade productivity in recent years can be traced to organizational and marketing changes in the industry, reflected in the shift toward self-service, greater use of part-time workers, decentralization to suburban shopping centers, and computerization of inventory control and billing.

Durable-goods manufacturing, the third industry group which experienced a marked rise in productivity—shifting from the medium to the high productivity category—more than doubled its annual rate of output growth between 1961 and 1967. In this same period, the rate of increase in employment rose more than sevenfold. Because durable-goods manufacturing has been extremely sensitive to cyclical changes in business activity, the recurrent recessions between 1947 and 1961 depressed the rate of utilization of plant capacity below the optimum level and dampened productivity growth. Sustained business expansion since 1961 has been an important factor in the improved productivity record in durable-goods industries.

The Effects of Changing "Industry Mix"

In an analysis of the relationship between productivity and employment, it is important to recognize that the overall productivity rate does not merely reflect changes in productivity within industries but is also influenced strongly by shifts in economic activity among industries with differing levels of productivity.

During the first decade following World War II (1947–57), about one-sixth of the increase in productivity was attributable to interindustry shifts in employment—mainly from the farm sector, with a comparatively low value of output, to the nonfarm sector, with higher levels of output value and productivity. In the following 9 years, the impact of such shifts has been less significant, amounting to only one-sixteenth of the productivity increase in the private economy.

In terms of employment, the farm sector accounted for about 16 percent of the work force in the private economy in 1947 and only about 6 percent in 1967. Since an hour's work on farms will generate little more than half as much value of production as an hour of work in nonfarm industry, the shift from farm to nonfarm employment has been in itself a source of added productivity.

This shift has also had a major impact on workers' average income. Shifts from low productivity to high productivity industries generally result in increased earnings to the workers involved in these shifts. Altogether, about one-sixth of the increase in hourly compensation in the private economy during the past 20 years reflects interindustry shifts.

The implications for employment growth are less obvious. Growth in employment is a function of growth in output, productivity, and the length of the workweek. Since the impact of interindustry shifts has become smaller in recent years, one might expect that the overall gains in productivity would tend to slow down slightly. However, the decreasing influence of interindustry shifts—particularly between the farm and nonfarm sectors—appears to be neutralized by additional productivity growth within the nonfarm sector.

Altogether, the productivity evidence suggests that, to reach and maintain full employment under the prospective conditions of expansion in the labor force, the rate of growth in output must substantially exceed the average of the post-World War II period.

The development of a collective social conscience places a high premium on readiness for what the future will bring. A Nation committed to the abolition of poverty and unemployment, and aiming at providing opportunities for the realization of every worker's potential, must develop and refine the information that will permit it to anticipate changes affecting working life.

What will happen to the workers of tomorrow cannot be predicted with certainty. But it is possible to develop reasonable approximations of the employment future by examining past trends, and by making assumptions about the probable effects of a variety of influences that affect employment. On the basis of these assumptions, systematic projections of the total picture can be made from the measurable interactions and relationships in the economy.

The resulting projections of the size and characteristics of the population and labor force, and the nature of economic growth and the job structure, provide the opportunity to prepare for future needs. They can serve as a basis for planning the education and training required to equip workers for tomorrow's jobs and the facilities and programs that will accomplish these objectives most effectively. The projections also make it possible to design realistic programs to train and recruit the personnel needed to carry out these plans.

The projections discussed below are based on assumptions of a rapidly growing economy aimed at full employment of the Nation's manpower and productive resources and the achievement of peace in Vietnam.[1] These projections were prepared in 1965 and do not fully reflect the very rapid changes which have occurred since then in manufacturing and agriculture.

In view of the implications for employment that will follow a cessation of hostilities in Vietnam, this section concludes with a discussion of the measures which will have to be considered to avert serious employment dislocations resulting from conversion to a peacetime economy.

POPULATION AND LABOR FORCE TRENDS

From estimates of the future size and composition of the population, it is possible to estimate the size and characteristics of a future labor force. Projecting the total population is not easy, because birth rates change sharply over time, and wrong guesses about the number of new infants can seriously throw off estimates of how many young people there will be a few years later. But it is relatively easy to project the number of people of working age (16 and over is the current definition) for a decade ahead, since these people have already been born.

Population Growth

By 1975, the country will have a working-age population of 154 million, an increase of 17 million over 10 years before. The population of all ages may total between 215 and 225 million, depending on the birth rate, for a 10-year gain of 20 or 30 million.

The long-term effects of fluctuations in birth rates are readily apparent in recent population changes. During the 1955–65 period, the population of labor force age grew by 14 percent, but total population rose by 17 percent to 195 million. Much of this increase reflected the baby boom of the years 1946–58, when some 50 million children were born, as compared with only 31 million during the preceding 13 years.[2]

Because these postwar babies are now becoming young adults, a rise of about 30 percent is expected between 1965 and 1975 in the number

[1] The specific assumptions underlying these projections prepared by the Department of Labor are: Economic growth will be sustained at an average rate of over 4 percent in real terms along with a relatively stable price structure; the unemployment rate will decline gradually to 3 percent by 1975; hostilities in Vietnam will cease by the end of 1969; the military force will total 2.7 million, approximately the same as before the recent buildup, and the proportion of resources devoted to defense will resemble that of the early 1960's, with some changes in the mix; Federal, State, and local governments will continue to increase their efforts to meet domestic economic and social needs, but there will be no radical change in composition or scale of programs; recent social, technological, and scientific trends will continue; productivity growth will continue at about the same general rate as in the sixties; and the structure of the economy will not change radically.

[2] The year 1958 may be considered to be the last of the postwar baby boom; birth rates began to decline in that year. However, the number of births each year remained above the 4 million mark to 1964, despite the declining rates, because of the rising number of women in childbearing ages.

Table 9. Total Labor Force, by Age, Sex, and Color, 1955 and 1965 and Projected 1975

[Numbers in thousands]

Age, sex, and color	Actual		Projected 1975	Number change		Percent change	
	1955	1965		1955–65	1965–75	1955–65	1965–75
All Classes							
Both sexes							
16 years and over	67, 988	77, 178	92, 182	9, 190	15, 004	13. 5	19. 4
16 to 24 years	11, 668	15, 653	21, 061	3, 985	5, 408	34. 2	34. 5
16 to 19 years	4, 637	6, 353	7, 865	1, 716	1, 512	37. 0	23. 8
20 to 24 years	7, 031	9, 300	13, 196	2, 269	3, 896	32. 3	41. 9
25 years and over	56, 320	61, 525	71, 121	5, 205	9, 596	9. 2	15. 6
Men							
16 years and over	47, 405	50, 946	59, 355	3, 541	8, 409	7. 5	16. 5
16 to 24 years	7, 483	9, 758	12, 995	2, 275	3, 237	30. 4	33. 2
16 to 19 years	2, 908	3, 833	4, 664	925	831	31. 8	21. 7
20 to 24 years	4, 575	5, 925	8, 331	1, 350	2, 406	29. 5	40. 6
25 years and over	39, 922	41, 188	46, 360	1, 266	5, 172	3. 2	12. 6
Women							
16 years and over	20, 583	26, 232	32, 827	5, 649	6, 595	27. 4	25. 1
16 to 24 years	4, 185	5, 895	8, 066	1, 710	2, 171	40. 9	36. 8
16 to 19 years	1, 729	2, 520	3, 201	791	681	45. 7	27. 0
20 to 24 years	2, 456	3, 375	4, 865	919	1, 490	37. 4	44. 1
25 years and over	16, 398	20, 336	24, 761	3, 938	4, 425	24. 0	21. 8
Nonwhite							
Both sexes							
16 years and over	7, 167	8, 551	10, 746	1, 384	2, 195	19. 3	25. 7
16 to 24 years	1, 374	1, 839	2, 809	465	970	33. 8	52. 7
16 to 19 years	540	682	1, 065	142	383	26. 3	56. 2
20 to 24 years	834	1, 157	1, 744	323	587	38. 7	50. 7
25 years and over	5, 793	6, 712	7, 937	919	1, 225	15. 9	18. 3
Men							
16 years and over	4, 503	5, 084	6, 409	581	1, 325	12. 9	26. 1
16 to 24 years	884	1, 137	1, 684	253	547	28. 6	48. 1
16 to 19 years	358	435	631	77	196	21. 5	45. 1
20 to 24 years	526	702	1, 053	176	351	33. 5	50. 0
25 years and over	3, 619	3, 947	4, 725	328	778	9. 1	19. 7
Women							
16 years and over	2, 664	3, 467	4, 337	803	870	30. 1	25. 1
16 to 24 years	490	702	1, 125	212	423	43. 3	60. 3
16 to 19 years	182	247	434	65	187	35. 7	75. 7
20 to 24 years	308	455	691	147	236	47. 7	51. 9
25 years and over	2, 174	2, 765	3, 212	591	447	27. 2	16. 2

Note: Detail may not add to totals due to rounding.

of persons 16 to 24 years old, and of about 40 percent in the number aged 25 to 34. This progression, coupled with a sharp decline in the number of persons born during the depression who are now 35 to 44 years old, results in a very significant change in the age distribution of the adult population. The older population, meanwhile, is expected to continue to increase substantially in this period.

Labor Force Trends [3]

The postwar baby boom is only one of the factors affecting labor force growth to 1975; of even greater importance is the proportion of women working. Between 1955 and 1965, the number of men workers increased by less than 8 percent, while the number of women workers rose by over 27 percent. The anticipated 1965–75 increase is about 16 percent for the men (to 59 million) and 25 percent for the women (to 33 million). (See table 9.) Since the male and female population changes are similar, the differential growth in labor force is almost entirely due to the increasing rate of labor force participation among women.

One major result of these trends has been a substantial increase in the proportion of women in the labor force—from 30 percent in 1955 to 34 percent in 1965, and to an expected 36 percent in 1975. Over 60 percent of the 9 million increase in the labor force between 1955 and 1965 consisted of women workers, and 44 percent of the anticipated 15 million rise between 1965 and 1975 is also expected to consist of working women.

As a result both of these trends in the proportions of women working and of the growth in population, the total labor force is expected to grow by one-fifth between 1965 and 1975, from 77 million to more than 92 million.

Long-range projections of the labor force enjoy the obvious advantage over population projections mentioned earlier—namely, the persons who are or will become of working age during the next 15 years have already been born. But beyond this, another advantage is that participation rates of at least two-fifths of the labor force (consisting of men aged 25 to 54 years) display great stability over time, so that the size of this major component is closely determined by the size of the corresponding population. Nevertheless, these projections are characterized by some uncertainty with respect to the labor force trends of young men, older men, and women at all ages.

The labor force participation of young men is strongly influenced by the extension of schooling, particularly beyond the high school level. Participation of older men, especially those 60 years old and over, has been influenced by the declining proportions engaged in agriculture and the growth of social security and private pension plans, including the rapid increase in the number of disability compensations awarded to disabled men under 65 years of age. Participation of women is affected to a large degree by the number and age of their children. But even with changes occurring in the participation of women in the labor force, the general trends can be forecast with reasonable assurance within rough magnitudes.[4]

Educational Attainment of Workers

One of the most striking characteristics distinguishing advanced industrial countries from those poorly developed is the education of their workers. As a country's education system improves and expands, so usually do its workers' skills and productivity.

The continuing improvement in the educational attainment of workers aged 25 and over (whose schooling has usually been completed) is clearly evident in table 10. The proportion of these adults who have completed 4 years of high school or more rose from 46 percent in 1957–59 to 55 percent in 1964–66, and is expected to reach 66 percent by 1975. The increase in the number and proportion of workers who are college graduates is equally impressive: From 5.7 million (10 percent) in 1957–59, to 7.5 million (13 percent) in 1964–66, and an estimated 10.8 million (15 percent) by 1975. At the same time, the number of those who have not completed the eighth grade will fall to only about 5½ million (as compared with 10 million in 1957–59).

[3] These labor force projections are consistent with a 4-percent overall unemployment rate. They are somewhat low in relation to the 3-percent rate assumed in projecting the industry and occupational employment in the following sections. Based on average postwar experience, a 3-percent unemployment rate would result in the addition of 400,000 to 500,000 to the total labor force in 1975. The detailed composition of this hypothesized addition has not been worked out at this time.

[4] However, it should be noted that even fractional variations in the participation rate may produce large changes in the number of persons involved. For example, a change of 1 percentage point in the participation rate of women would have changed the size of the labor force by nearly 700,000 in 1967.

Table 10. Years of School Completed by Persons 25 Years and Over in the Civilian Labor Force, by Sex, 1957–59 Average, 1964–66 Average, and Projected 1975

[Percent distribution]

Years of school completed	Both sexes			Men			Women		
	1957–59	1964–66	1975	1957–59	1964–66	1975	1957–59	1964–66	1975
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 4 years high school	53.7	45.1	34.0	55.9	46.8	35.2	48.7	41.6	31.7
Elementary: 8 years or less	34.5	26.2	16.0	36.8	28.2	17.5	29.6	22.4	13.4
High school: 1 to 3 years	19.2	18.9	17.9	19.2	18.7	17.7	19.1	19.3	18.3
4 years high school or more	46.3	54.9	66.0	44.1	53.2	64.8	51.3	58.4	68.3
High school: 4 years	27.8	32.8	39.5	25.1	30.0	36.7	33.7	38.5	44.7
College: 1 year or more	18.6	22.1	26.5	19.0	23.3	28.1	17.6	19.8	23.6

Note: Detail may not add to totals due to rounding.

Thus, in 1975, college graduates can be expected to be twice as numerous as those with less than 8 years of schooling (neatly reversing the situation of 1957–59 when they were about half as numerous).

This general educational upgrading has been accompanied by two important trends—the first being the convergence in the average educational attainment of men and women workers, and the second being the more gradual convergence in education between younger and older workers. The trend toward equalization in length of schooling between men and women workers reflects mainly the greater relative increase in education of men (some of it in response to the special educational opportunities provided to veterans since World War II), and in part to the opening of job opportunities for women from all educational levels. Before the war, many more women than men finished high school, and, among women, there was a greater tendency for the better educated to work.

The more gradual convergence in educational attainment between older and younger workers results primarily from the heightened educational opportunities youngsters were given following the depression years. These youngsters are now becoming older workers; for example, by 1975, most of the World War II veterans who benefited from the education provisions of the GI bill will be in the 50- to 59-year age group.

As a result of these trends, the Nation's labor force in 1975 is likely to be somewhat more homogeneous in its educational composition than at present. This long-range diffusion of formal education throughout the labor force, together with the substantial increase in the number of relatively well-educated younger workers, augurs well for increased skill and adaptability during the next decade, but it also poses very serious problems for the 1 out of 3 workers who dropped out before completing high school. Since many of these are members of minority groups, comparative widening in their educational disadvantages is compounded by discrimination and cultural alienation.

MANPOWER REQUIREMENTS IN 1975

Even where assumptions used in developing labor force projections do not all prove out, there can still be reasonable certainty about the general magnitude of main segments of the labor force a decade or so hence. The task of projecting job requirements by industry and occupation is far more difficult, however. Developments with relatively sharp impact on the employment structure can occur from new scientific applications, from political events affecting national policies (war being, of course, the most significant of these events), from shifts in consumer preferences and markets, and from business recessions.

Although subject to error from the intervention of influences that have not been considered, projections of manpower requirements are of great importance because they bear most directly on

policy and programs. For this reason, a variety of methodological devices have been developed to construct and refine projections on the basis of interactions of many different factors within the economy.

Based on the assumptions listed earlier, the direction of change in the industrial and occupational structure of the American economy is expected to remain much the same during the 1965–75 period as during the past two decades. The manpower requirements projected for 1975 indicate an increase of more than 15 million workers on nonfarm payrolls over the 61 million employed in 1965. At the same time, the long decline in agricultural employment is expected to continue in the face of a rise of about one-fourth in employment in the economy as a whole. (See appendix table E–9.)

Employment Trends in Nonfarm Industries

In the nonfarm sector of the economy, the rate of job growth will continue to be faster in service-producing than in goods-producing industries. Employment in goods-producing industries (manufacturing, construction, and mining) is expected to increase by 12 percent—to 24.5 million—between 1965 and 1975. The projected increase in manpower requirements in contract construction (32 percent) is attributable mainly to the expected sharp increases in residential construction activity, with productivity growth slower than in the economy as a whole. In contrast, little change is expected in employment in mining, because of the prospect of only modest growth in mining output with high increases in labor productivity. In manufacturing, manpower requirements are expected to rise modestly—by about 9 percent, considerably less than half the overall rate of increase in wage and salary employment.

In general, manpower requirements will increase faster in durable goods manufacturing than in nondurable goods industries. As in the past, changes in employment in individual manufacturing industries are expected to vary widely, depending on the impact of technology as well as shifts in demand. Major technological developments that will continue to limit growth in manufacturing employment include: Numerical control; new metal processing methods; machinery improvements; improved materials handling (including layout); new and improved raw materials and products; instrumentation and automatic controls; and electronic computers.

Employment in the service-producing sector (transportation and public utilities; trade; finance, insurance, and real estate; service and miscellaneous industries; and Federal, State, and local government) is projected to rise to about 51.5 million—an increase of 32 percent—in the 1965–75 decade. The largest increases are expected in the service industry group (43 percent) and in government (40 percent); together, these will account for over half the total growth in nonagricultural wage and salary employment.

Federal Government employment is expected to rise only slightly, barring major increases in military commitments. But employment in State and local governments is expected to increase by nearly half, 7.7 to 11.4 million, because of the continuing rapid rise in population and the resultant increased demand for many kinds of public services.

Jobs in trade will increase by 27 percent, according to the projections, slightly more than the average for all nonagricultural wage and salary employment (25 percent). In finance, insurance, and real estate, the rise in employment will be close to the overall average rate. But in transportation and public utilities, it may amount to only about 14 percent, not much over half the average rate of increase.

Occupational Employment Requirements

Major changes have taken place in the occupational distribution of the work force during the post-World War II period. Underlying these shifts have been two broad sets of factors: The divergent trends of employment in different industries (already discussed) and changes in the occupational patterns of employment. New processes and new industries have created new occupations and sometimes made others obsolescent. Together with other technological developments, changes in product demand and increased efficiency in management and control practices have also affected the pattern of employment within industry. One of the most important factors affecting the occupational structure has been the rise in research and development expenditures (from about $5 billion to $25 billion between 1953 and 1968).

The combined impact of all these factors is reflected in the shift from blue-collar and farm occupations to white-collar and service occupations in the post-World War II period. The changes in occupational structure during the coming decade are expected to be similar. Manpower requirements will probably increase by a third in white-collar occupations and a little more in service jobs, but by only 15 percent in blue-collar occupations. The long, sharp decline in employment of farmworkers will continue.

The projected occupational composition of employment in 1975—based on these trends, the assumptions cited previously, and the great variety of factors affecting particular occupations—is shown in appendix table E–8.

Replacement Requirements

Employment growth describes only one aspect of employment opportunities. Job openings resulting from death and retirement will total 22.3 million during the 1965–1975 decade, exceeding those resulting from growth by about one-third. In some occupations, particularly those in which many women are employed, the number of workers required as replacements is much greater than the number needed for newly created jobs. Similarly, in some occupational groups—laborers, farmers, and farm managers—for which actual declines in employment are projected, a large number of workers will still be required to replace the large number of workers who will die or retire from these jobs. (See table 11.)

Implications

The general pace and direction of growth and change in the industrial and occupational structure of the American economy are expected to continue during the 1965–75 decade.

The labor force will grow faster than ever both because of the increasing participation of women and the increasing numbers of young people reaching working age. Productivity growth will continue despite a slowdown in expansion of research and development. The sheer size of research and development—which now accounts for 3 percent of the gross national product—will make it a continuing force for occupational change and labor efficiency. The anticipated rise in educational attainment, particularly at professional and technical levels, will enable the work force to develop the skills and knowledge essential to a technologically advancing society—if this education can be tied to the needs of society.

Crucial to the fulfillment of these expectations will be a sustained and vigorous policy of maintaining economic growth and an immense effort

TABLE 11. JOB OPENINGS RESULTING FROM CHANGE IN EMPLOYMENT AND DEATHS AND RETIREMENTS, BY MAJOR OCCUPATION GROUP, 1965 TO 1975

[Thousands]

Major occupation group	Openings		
	Total	Due to employment change	Due to deaths and retirements
Total	38, 780	16, 525	22, 255
Professional and technical workers	6, 513	4, 020	2, 493
Managers, officials, and proprietors	3, 921	1, 860	2, 061
Clerical workers	7, 835	3, 430	4, 405
Sales workers	2, 533	1, 085	1, 448
Craftsmen and foremen	3, 967	2, 180	1, 787
Operatives	4, 563	1, 610	2, 953
Service workers, including private household	7, 892	3, 260	4, 632
Nonfarm laborers	546	−155	701
Farmers and farm managers, laborers, and foremen	1, 010	−765	1, 775

NOTE: Detail may not add to totals due to rounding.

to develop the skills and abilities of the work force. The distribution of the expected work force in 1975 gives some notion of the dimensions of the problem; in that year, the number of youngsters aged 16 to 19 in the labor force will be almost 25 percent higher than in 1965. But among nonwhite youngsters, the group that includes the largest number and percent of people that enter the labor force poorly equipped for getting and holding a job, the rise will be more than 50 percent. The number of 16- to 19-year-old nonwhite youngsters in the labor force in 1975 will be 1.1 million, double the number in 1955, and 400,000 more than in 1965. Clearly the schools will have to learn—and learn quickly—how to help these youngsters achieve the educational and work skills necessary to adjust readily to the working environment.

Equally important during the coming decade will be the increased demand for professional and technical workers, in the social as well as natural and engineering sciences. The past two decades have witnessed a heavy concentration on the engineering and natural sciences. The next decade must provide for a sharp rise in physicians, dentists, and other highly qualified health workers. It must also provide for a great increase in scientists and engineers who are both able and willing to serve in the difficult task of rebuilding the cities, developing transportation for the people within them, rescuing the environment from enveloping pollutions that destroy the quality and may, in time, destroy the viability of urban life. The next decade must also provide for the upgrading through training and higher pay of personnel to serve in State and local governments, which currently suffer from severe shortages of workers to serve the public need.

The manpower future is promising for those who have or will achieve the education and training essential for professional and technical jobs. It is promising also for those who achieve the skills necessary for work in clerical jobs and in such burgeoning areas of service as practical nursing. In blue-collar jobs, only those who are able to develop the required skills will find good job opportunities. In the semiskilled trades, which have in the past provided great numbers of jobs for people with limited education, a high school education or prior skill training (or both) is likely to be increasingly necessary as the supply of persons with such preparation becomes larger. And all workers, regardless of their level of education, are likely to need continuing education to prepare for the constant changes in jobs that are characteristic of our society.

The rate of economic growth will be a crucial factor in determining (and reflecting) whether the Nation fully employs its human and physical resources. Growth in output is essential to improve the general level of living and to make available sufficient resources to pursue such national objectives as abolishing poverty, extending health care, and so on. With an increasing population, growth is also essential to keep unemployment down.

The historical relationships between economic growth and expansion of employment imply that the Nation's output of goods and services would have to grow by more than 4 percent annually to make satisfactory progress in providing jobs for the growing labor force and for further reducing unemployment.[5] Based on the assumptions cited earlier in this section, it is estimated that output would have to grow by 4.4 percent a year to bring unemployment down to 3 percent by 1975.

ECONOMIC ADJUSTMENTS FOLLOWING THE VIETNAM CONFLICT

Achievement of the national objectives of high employment and minimum unemployment with reasonable price stability is at all times dependent on appropriate monetary and fiscal policies in combination with effective manpower development programs. The combination of these efforts will be especially important in the transition period following the end of hostilities in Vietnam, when reductions in the level of the Armed Forces and in expenditures for defense could otherwise have adverse effects on production and employment.

General economic policies can be relied on to maintain overall employment expansion, but local dislocations in output and employment are bound to develop during the reconversion period. Unless fiscal and monetary policies are augmented by specific adjustment measures designed to help affected workers and places, some defense workers and other civilian employees in areas dependent on defense production or military installations could experience serious unemployment.

[5] See the discussion on economic growth and employment opportunity in the *1967 Manpower Report*, pp. 41–42.

Compared with the reduction in defense expenditures in relation to GNP between 1953 and 1955, the implied magnitude of post-Vietnam readjustment may be less serious a strain on the economy than it was after Korea. The effects of defense cutbacks can be largely overcome or mitigated if compensating monetary and fiscal measures are brought into play to stimulate and maintain demand for goods and services, if the Nation proceeds to meet the increasing demands for public services and public investments arising from the problems of our cities, and if it undertakes the programs of manpower development, training, and job placement assistance necessary during the period of dislocation.

The question of how the "peace dividend" resulting from a cutback in war expenditures and the fiscal dividend which comes from normal growth of the economy will be allocated has important implications for the reconversion period. Defense analysts point to a backlog of military programs postponed because of the more urgent requirements of Vietnam, ranging from missiles to atomic submarines, which will claim part of the presumed savings that result from ending the war. On the other hand, the massive needs for urban development and other social purposes place demands on our national budget. In any case, there are likely to be important shifts in the industries and location of production, resulting in job displacements.

Approximately 5 million civilian jobs were in defense-related activities in 1968, including 1.5 million attributable to Vietnam.[6] The 5 million included 3.8 million civilians in defense production and 1.2 million employees of installations and other military establishments. It is unlikely that the end of hostilities in Vietnam would automatically wipe out 1.5 million civilian jobs, but a period of local maladjustments and reductions-in-force can be expected. It is estimated that about 900,000 civilians would be required to shift into other employment. Based on post-Korean experience, this period may last up to 18 months or longer.

In addition to civilian adjustments, returning veterans will contribute to manpower problems during this period. The size of the military establishment increased from 2.7 to 3.5 million during the Vietnam buildup. A gradual reduction in the size of the Armed Forces is expected to occur after the end of hostilities. Many servicemen, however, will choose to continue their education under the GI bill while others will exercise reemployment rights.

The combined effect of separations from the Armed Services and shifts in defense production could result in severe local unemployment problems. The serious dislocations in individual areas resulting from cutbacks in aircraft and aerospace defense programs in 1963 and 1964 are clues to the kind of local problems that may occur. However, during that period defense cutbacks were few in number and geographically isolated, and the adverse effect on the communities and individuals involved was cushioned to some extent because they occurred in a period of unusually rapid economic growth. The workers involved were generally of high skill and educational levels, and alternative job opportunities were available in their own job markets or in other areas. On the other hand, the impact of defense layoffs after Vietnam may be more widely dispersed and different in nature.

The areas and communities likely to suffer the largest relative losses of employment in the post-Vietnam period are those associated with ordnance installations, ammunition depots, and military bases. Small labor areas with a significant proportion of low-skilled and semiskilled workers employed in defense establishments are particularly vulnerable. Also, a temporary rise in unemployment would intensify the jobseeking difficulties of disadvantaged workers with the flow into the labor market of educated, skilled, and experienced workers competing for available jobs.

In anticipation of national and local problems of the readjustment period, President Johnson established the Cabinet Coordinating Committee on Economic Planning for the End of Hostilities in Vietnam. This Committee is considering legislative and administrative actions designed to ease the transition from defense to nondefense employment. In addition to general monetary and fiscal policies to prevent high unemployment, this Committee is considering a number of specific recommendations to strengthen and improve coordination of existing programs to assist individuals and communities.

Generally, recommendations under consideration call for an intensification of existing programs designed to help individuals and communities to adjust to economic change and dislocation; job placement and information services; veterans'

[6] See also Richard P. Oliver, "Employment Effects of Defense Expenditures," *Monthly Labor Review*, September 1967, pp. 9–16.

readjustment programs; training of servicemen under such programs as Project Transition and training civilians under MDTA; relocation assistance; redevelopment programs for depressed communities and regions; and programs for moratoriums on mortgage payments. Also being considered are recommendations for the enactment of legislation to augment and extend unemployment insurance and to protect the pension rights of discharged employees by giving them "vesting" rights. An important recommendation is the establishment of an interdepartmental committee to coordinate economic adjustment planning for demobilization, identify areas likely to experience high unemployment, and arrange for the cooperation of Federal, State, and local agencies in a joint action program. Some of these measures require congressional consideration and action; others involve the redirection of existing powers and organizations for the specific purpose of readjustment.

PART II.

MANPOWER POLICY AND PROGRAMS

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MANPOWER POLICY AND PROGRAMS

The record of accomplishment during the past half decade in giving reality to an active manpower policy is the subject of this part of the report. A recurring theme is the evolution of manpower programs in even this brief period, in response to changing economic and social conditions (outlined in part I). Program achievements under the Manpower Development and Training Act and other enabling legislation are assessed in relation particularly to the degree of their success in overcoming obstacles to employment of the hard-core unemployed. The areas where further progress is most needed are considered also, together with the alternative pathways to strengthened program action.

The country's educational system is the institution with most fundamental responsibility for enabling individuals to realize their full potential. Accordingly, the schools have a critical role in manpower development efforts, both present and potential, discussed in the first of the following chapters.

The themes of the two subsequent chapters reflect major emphases in the evolution of national manpower policy: First, the effort to enlist private industry's increasing cooperation in achieving manpower goals; and second, the focus on meeting the diverse needs of different individuals and groups. The first of these chapters is concerned with the contributions Government-financed on-the-job training is already making toward meeting workers' needs for new skills and employers' needs for trained workers, and the potentialities for further expansion of this industry-Government partnership. The chapter on meeting individual needs reports on three important program areas—the battery of work-experience and related programs aimed at improving the employability of the greatly disadvantaged; the special programs underway or needed to aid groups burdened by physical or other handicaps; and the wide range of specialized services provided for returning veterans.

The rapid growth and multiplication of manpower programs—involving not merely Federal agencies but many branches of State and local governments and private agencies as well—have led inevitably to difficult problems of program coordination and implementation. There is no issue of greater moment for the success of the national manpower effort than the achievement of improved program coordination, at all levels from the Federal down to the local community—where the aim must be integrated delivery of the full range of services needed by each disadvantaged individual. Much progress has already been made in this direction, through increasingly effective administrative arrangements discussed in the fourth, following chapter. As this chapter also makes plain, however, there is need for continued emphasis on administrative improvements in a manpower effort whose components are still in process of evolution and change.

An overview of accomplishments, in comparison with the universe of need for manpower services for the disadvantaged, and a look ahead at

the unfinished manpower agenda conclude this part of the report. The manpower programs undertaken since passage of the Manpower Development and Training Act in 1962 have devised many new approaches and techniques, tested their effectiveness, and put them to use to the limits of available funding. A sizable program expansion would be required, however, for a full-scale attack on our national problems of underdeveloped, underutilized human resources.

MANPOWER DEVELOPMENT THROUGH THE SCHOOLS

The pace of progress in developing this country's human resources will depend, in large measure, upon the educational system. Manpower development needs impose heavy new demands on educational institutions at every level. The experience of the past few years has demonstrated these institutions' ability, given needed resources, to take on new tasks and has shown the directions in which progress must continue.

The schools' responsibilities for manpower development are threefold. One aspect is essentially remedial—to provide education and training for people who lack marketable skills or are employed below their capabilities, while job vacancies remain unfilled for lack of qualified workers. This is, of course, the objective of the training projects for unemployed and underemployed workers set up under the Manpower Development and Training Act and other recent legislation, including the provisions for remedial basic education as well as skill development.

A second aspect is to give young people still in school the best preparation for work and life. It involves education at all levels, from preschool to postgraduate, and in general subjects as well as those with a specific occupational orientation. It may also involve work experience, preferably integrated with schooling.

A third major aspect is to provide for continuing education and updating of skills throughout working life. In part, the present need for training of the unemployed and underemployed reflects obsolescence of skills. But the problem is much broader than this. With the continued rapid pace of technological change and the mounting accumulation of knowledge, work preparation becomes a lifetime process, which educational institutions must aim to facilitate.

The manpower, educational, and antipoverty legislation of the past 8 years has enabled great forward strides in training of the unemployed and underemployed, in providing adequate preparation for work and, to a lesser extent, in continuing education and training. Achievements range from new preschool projects (under the Head Start Program of the Economic Opportunity Act) and greatly needed aid to elementary and secondary schools in poor school districts (under the Elementary and Secondary Education Act) to strengthening of college and postgraduate professional education (under the Higher Education Act and other legislation). All these programs contribute importantly to the total process of manpower development. It is beyond the scope of this chapter, however, to describe and assess them all. The focus here is on those programs of most direct and immediate concern to manpower policy—the MDTA program of occupational training for the unemployed and underemployed; the Adult Basic Education Program, which can mean greater employability for many disadvantaged people; and the Federal-State vocational education program, which is the chief source of formal occupational training for youth not bound for college and also of part-time training courses for adults.

The program of occupational training under the Manpower Development and Training Act of 1962 has relied heavily from the start on classroom instruction in the Nation's vocational schools.[1] Their cooperation with the public Employment Service, which approves fields of training and refers and places trainees, made possible the quick launching of many training projects. The schools have provided instruction and related services for trainees with widely varied needs and capabilities and have shown flexibility in adjusting to the changing demands of the MDTA program.

This program began at a time of generally high unemployment; the average unemployment rate was 5½ percent in 1962. Concern about the overall unemployment situation dictated the focus of the first MDTA projects, which were aimed primarily at training and rapid job placement of the previously jobless. The majority of trainees in the early projects were unemployed heads of households with at least 3 years of gainful employment—the only ones to whom regular training allowances might be paid under the original provisions of the act. They were all people who, it was judged, could qualify for available jobs within the 12-month training period for which allowances could be paid under the act, and usually in a much shorter time.

The present emphasis in the MDTA program on training of the disadvantaged represents a marked shift in focus. The history of the program has been one of steadily increasing attention to and understanding in serving the disadvantaged, though with substantial resources earmarked also for training to meet skill shortages. This change in emphasis has stemmed from the country's changing economic and social situation—from the general reduction in unemployment, the explosive discontent in city slums, and the consequent highlighting of the dilemma of the disadvantaged, especially jobless youth. Successive amendments to the act have increased its capabilities for service to these groups (as outlined in the following sections). The result has been a rapid evolution of the MDTA program in only 6 years.

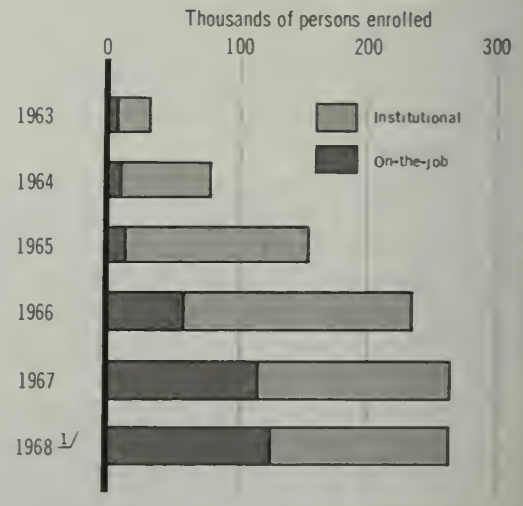
Enrollments have mounted—from 32,000 in institutional (classroom) and 2,000 in on-the-job training (OJT) projects in the first 11 months of operation in fiscal 1963 to 140,000 in institutional and 125,000 in OJT projects in fiscal 1968. (See chart 12.) The change in the trainee characteristics in this period has been pronounced, as is shown by the following fiscal year figures for trainees in the institutional program:

Characteristic	Percent of total	
	FY 1963	FY 1968
Nonwhite	24	49
Less than 12th-grade education	41	60
Under 22 years old	25	38

In working with the increasing numbers of disadvantaged trainees, the staffs of the training institutions and the local Employment Service offices have become more and more aware of the barriers to learning and employment set up by the trainees' personal problems, need for medical or legal assistance, financial emergencies, and other factors associated with poverty and slum life. To obtain help in reducing these barriers, training and Employment Service staffs have had to forge new and stronger relationships with other organiza-

CHART 12

Most MDTA training has been in schools, but on-the-job training has increased rapidly.



1/ Estimated.
Source: U.S. Department of Labor.

[1] On-the-job training was also provided for in the act. For a discussion of this OJT program, see the chapter on Enlisting Private Industry Cooperation.

tions—including vocational rehabilitation agencies, labor and management organizations, Community Action agencies, charitable institutions, citizen groups, and many branches of local government. These groups have been called upon to provide a wide variety of supportive services and also to assist in job development for trainees. Thus, during the 6 years of the program's operation, effective, mutually helpful contacts have developed between the training institutions, the local Employment Service offices, and many other community agencies.

THE MDTA AMENDMENTS AND PROGRAM REDIRECTION

A redirection of the MDTA program, essential to maintain a sharp focus on the most critical emerging problems and needs, could not have been accomplished without substantial changes in the act. These changes represent a notable example of executive and congressional cooperation in developing a progressively more effective and flexible legislative instrument for attacking a variety of urgent manpower problems.

The four series of amendments to the act—in 1963, 1965, 1966, and 1968—all reflect experience with MDTA program operations and the insights gained through research and experimental projects. Each set of amendments made possible program advances, which helped to meet major needs but also uncovered new obstacles and program deficiencies, thus contributing to the further evolution of the act. The systematic evaluation of program operations, underway since the early days of the MDTA program, has also yielded important insights and contributed to recommendations for program changes.

The Secretaries of Labor and of Health, Education, and Welfare, with members of their staffs who share responsibility for the administration of the act, have reported in detail to the Congress on these matters and have made recommendations for amendments. In addition, the concerned congressional committees have held extensive hearings and made staff studies on the MDTA and other manpower programs. Testimony regarding the findings of research projects made possible by the MDTA has contributed significantly at several points. For example, the results of an exploratory project in Norfolk, Va., aimed at testing the best ways of bringing the hard-core unemployed to employability was one of the factors underlying the 1963 amendments. And a series of research and experimental projects on the training of prisoners underlay the more recent amendments which permit expanded programs for inmates of correctional institutions.[2] Throughout this evolutionary process there has been notable bipartisan leadership and support in the Congress.

The 1963 amendments were all aimed at providing greater services to the groups with the highest incidence of unemployment. To this end, they liberalized the act in three major respects:

1. The provision for youth training in the original act was much enlarged.

2. Provision was made for basic literacy training, in conjunction with occupational training, when needed to equip the disadvantaged for employment.

3. Training allowances were liberalized, and eligibility requirements were relaxed for both adults and youth.

All three amendments were put into effect promptly. The proportion of young enrollees grew from 25 percent in 1963 to 35 percent the following year.

Basic education began to be included in many manpower training projects in 1964, only a few months after the amendment was passed, and has become an essential part of MDTA service to the hard-core unemployed. The proportion of institutional enrollees taking basic education rose from 22 to 27 percent between 1966 and 1968. However, it has been impossible, with the limited financial resources available, to offer enough basic education to significantly improve the communications skills of those who are least literate.

The amendment with respect to training allowances made it possible to provide the increased income necessary to enable the most disadvantaged to undertake training and carry it on to completion. Project experience, verified in special studies and program evaluations, had indicated the need for this added support.

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[2] For a discussion of these projects, see Occupational Training in the chapter on Manpower Research, and the chapter on the Experimental and Demonstration Program.

Congressional consideration of changes in the act in 1963 brought clarification of the requirement that training be given only to those for whom there was "reasonable expectation of employment." Rigid interpretation of this requirement sometimes had the effect in early program operations of barring disadvantaged workers from training, for fear that they would not perform well enough to qualify for jobs or that employers would tend to reject them even though qualified. But from this point forward the more liberal interpretation encouraged by the Congress was an important factor in bringing training opportunities to more of the hard-core unemployed.

A move toward consolidation of training activities came with the 1965 amendments to the MDTA which transferred to that act the training provisions of the Area Redevelopment Act. This special program provides training projects for unemployed and underemployed persons in areas designated for redevelopment by the Economic Development Administration (EDA) of the Department of Commerce.

An interagency committee representing the Departments of Labor, Commerce, and Health, Education, and Welfare reviews the project proposals. In approving projects, priority is given to those assigned to equip workers with skills needed by firms receiving EDA loans and grants. The needs of rural areas and of special groups—particularly Indians, agricultural workers, and the Spanish speaking—have also been emphasized in project approvals. Because of limited funding, this has remained a rather small program, but it is of considerable significance in the local areas involved.

The 1965 amendments also moved toward liberalization of training allowances—extending the maximum period for which they could be paid, increasing the amount for trainees with family responsibilities, providing supplemental allowances to cover daily transportation expenses, and somewhat easing eligibility requirements. All of these developments were designed to, and did, extend MDTA training opportunities to more disadvantaged persons.

Two further moves in the same direction came with the 1966 amendments. One of these was the provision for "employment orientation" training. This kind of training is designed to help disadvantaged trainees develop good work habits and attitudes and give them some idea of how to look for jobs. In addition, authorization was given in 1966 for limited health services when needed by MDTA enrollees to remove barriers to their training and employment. Since the poor of all ages are almost invariably in need of medical care, this amendment was essential to enable such persons to take part in training programs. However, no appropriation was made for the services authorized. Arrangements are being made, therefore, to provide these services through the resources of the State-Federal vocational rehabilitation program, supplemented by other public and private agencies.

Another potentially important MDTA amendment with a quite different thrust was the provision in 1966 for part-time upgrading training aimed at qualifying low-skilled employees for promotion to better jobs. It was hoped that successful upgrading of workers would help to meet skill shortages and, at the same time, open opportunities for disadvantaged individuals at the bottom of the occupational ladder. This facet of the MDTA program has had limited implementation so far.

One obstacle encountered is that the kinds of workers for whom the part-time training is designed are already employed and difficult to identify. Of those approached, few have been interested in undertaking 2 or 3 hours of training after an 8-hour workday. The training incentive payment of up to $10 a week, for a maximum of 18 hours of training, is clearly an insufficient attraction—unless the worker faces the immediate likelihood of losing his job if he does not upgrade his skills. Efforts are now being made to test the feasibility of providing the training partly on the worker's own time and partly during regular working hours, to the benefit of both the worker and the employer. The desirability of increasing the incentive payment is also being considered. The need to upgrade the skills of the marginally employed is of such long-range importance to the economy that efforts to create an effective part-time training program must continue.

All of these legislative and program developments contributed to the formal redirection of the program announced in 1966. It was then decided that, as a national training goal, approximately 65 percent of the entire MDTA training effort would be directed to reclaiming the hard-core unemployed. Special groups with the greatest employment difficulties were identified—culturally impoverished and poorly educated youth, the un-

employed of middle age or older, minority groups, persons with low educational achievement, the long-term unemployed, and the rural poor. The guidelines established to assure an appropriate distribution of training opportunities among these groups were then used as the basis for the manpower plans for individual States.

The balance of the training effort—approximately 35 percent of the total—was to be focused on meeting the need for trained personnel in skill-shortage categories. But even in these shortage areas, disadvantaged persons were to be trained to the extent feasible. There has been no difficulty in meeting, or even exceeding, the 35-percent target for training in the skill-shortage categories.

In the institutional training program, the 65-percent target figure for training of the disadvantaged was rapidly achieved. The proportion of trainees in this category rose from 60 percent in fiscal 1966 to 64 percent in 1967. In 1968, the target was surpassed—enrollment of the disadvantaged reached 68 percent.

Amendments in 1968 extended the occupational training program through fiscal 1972, besides authorizing continuation of several pilot or demonstration programs through fiscal 1970. For the most part, these amendments made administrative changes or directed efforts toward special problem areas, such as the development of a comprehensive system of job market information. One amendment, however, bears directly on the institutional program in providing that priority shall be given to the use of skill centers.

MANPOWER TRAINING SKILLS CENTERS

The effectiveness of the MDTA program in serving the disadvantaged, and particularly in meeting individual needs for training and supportive services, has been increased by the development of multioccupational projects and skills centers. At the outset, many training projects were set up one at a time—usually in public schools, in places where there were unemployed people in need of training, where job openings existed, and where resources were available to train the unemployed in the indicated skills. When the trainees had completed the course, the projects were sometimes repeated, sometimes terminated. This type of project operation is still frequent but no longer predominant.

As the program developed, single-occupation courses often became the nucleus for training in a number of skills. Some of the multioccupational projects thus developed were concentrated in a centralized facility, or at least operated under a central administration. When they provided, in addition to occupational training, the supportive services required by disadvantaged trainees, these facilities became known as skill centers. The success of these informally designated skill centers led to assessment of the program factors which were particularly effective and to consideration of the changes that would minimize operating difficulties.

In 1968, 55 facilities were identified as Manpower Training Skills Centers. The only facilities included are those which provide education and training opportunities for all individuals referred and meet established criteria with respect to size, variety of course offerings, supportive services, and administrative makeup.

Growing recognition of unmet trainee needs for supportive services made it increasingly important to find ways to provide such training-related services through the training institutions. Counselors were added to project staffs, arrangements were made with other agencies to supply medical and legal assistance, and networks of supporting mechanisms were created to minimize barriers to training.

An important development in the Manpower Training Skills Centers has been the increasing use of open-ended courses, which trainees may enter or leave according to their individual needs, repeating work as necessary, or moving ahead as their ability permits. This open-ended scheduling provides a kind of individualization of instruction which adds greatly to the effectiveness of the centers. It requires stability of funding, ingenious scheduling, the support of trained instructors, and specialized instruction methods and curriculums.

The need for stable financing for Manpower Training Skills Centers, coupled with development of a number of management techniques that would meet trainee needs, has in the past 6 months led to the experimental designation of three centers in which an integrated, annual, financial arrangement is substituted for the usual project-by-project funding. If the experiments are successful and financial resources are available, this annualization of financing will be extended.

SOME HIGHLIGHTS OF PROGRAM ACCOMPLISHMENTS AND NEEDS

From its inception in 1963 through fiscal 1968, the MDTA program has enrolled over a million individuals, more than 700,000 of them in institutional programs.

In 1968, the number of enrollees in institutional programs was 140,000, somewhat below the 1967 figure of 150,000. Funds obligated for all MDTA training projects, both institutional and on-the-job training, dropped moderately during this period—from $347 million in fiscal 1967 to $332 million last year. Furthermore, the need to provide longer periods of training and more services to the disadvantaged increased expense per trainee, and thus tended to restrict the numbers of persons served. However, the expansion in OJT enrollments, with the lower per trainee cost to the Government, made it possible to maintain the overall MDTA enrollments at the same level as the preceding year.

Over 600,000 individuals completed training courses during the first 6 years of program operations. And here again the large majority, nearly 450,000, were enrolled in institutional projects.

The importance of MDTA training to this large number of individuals, most of whom were unemployed immediately before they entered training, is suggested by their record of posttraining employment. Ninety percent of the people who completed institutional training obtained jobs at some time during the first year after their training, according to figures from followup surveys made 3 months, 6 months, and 12 months after the individuals completed their courses. Furthermore, over three-fourths of these former trainees were employed when last contacted, and of this group 3 out of every 4 regarded their jobs as related to their training.

In thus assisting the previously unemployed to find jobs, the MDTA program is making a contribution not only to the welfare of the trainees and their families but to the Nation. Unemployment involves heavy costs in terms of lost productivity and purchasing power and also of welfare payments, crime, and delinquency. It has been estimated, in fact, that the MDTA training programs returned to society within 1 year more than the total cost of these programs to the Federal Government.[3]

An expansion of program resources will be necessary, however, to provide adequate training opportunities for the disadvantaged population. As made plain in the discussion of The Universe of Need in a later chapter, the level of operations now possible is far below any reasonable estimate of the total training need.[4]

Adult Basic Education

About 17 million Americans 18 years of age and over have less than 8 years of formal schooling. They represent 13 percent of the population in this age range. A large majority of these individuals are still of working age: 2 out of every 3 are under 65, and 1 out of every 4 is under 45 years of age.

The Adult Basic Education Program, initially authorized by the Economic Opportunity Act of 1964, represents a national effort to remedy the educational deficiencies which limit the employment opportunities and narrow the horizons of this large segment of the population. The program is now administered by the U.S. Office of Education under the Adult Education Act of 1966. It operates through State departments of education and, mainly, local public school systems, although private nonprofit educational agencies may also apply to the States for funds for local programs. The financing is 90 percent Federal and 10 percent State and local.

Classes are offered free of charge to undereducated adults. They are now available in many com-

[3] All studies to date indicate that the benefits of manpower training programs exceed their costs. For example, a recent pilot study by the Department of Labor comparing the costs and benefits of MDTA institutional training indicates the value of the training as a Federal investment. This study concluded that the average net Federal benefit-cost ratio, defined as the direct and indirect benefits to society (exclusive of increased taxes paid) compared to the Federal investment per trainee, was 1.78 to 1 in the first year after training. Thus, even though no one knows how long the differential benefit may last, or whether it may increase or decrease, the desirability of the program is clear. For a discussion of cost-effectiveness analysis of manpower programs and more detail on this study, see Technical Appendix A.

[4] See the chapter on America's Unfinished Manpower Agenda.

munities in all 50 States, the District of Columbia, and several territories.

Altogether, 1.3 million people—nearly two-thirds of them under 45 years of age—have been reached by the program in the past 4 years. Though nearly a fifth reported that they had 9 to 11 years of formal education, their actual educational accomplishment was below the eighth grade as required for participation in the program. One out of every 5 enrollees had never gone beyond the third grade.

The close relation between lack of education and poverty is evidenced once again by the extremely low income levels of the enrollees. Over half of them had annual incomes under $3,000. One out of 5 was on public assistance.

Most of the people in the program enrolled without a definite occupational goal in mind, seeking simply to better their education. However, about 10,000 of them go on each year into job training under the manpower training programs. The Adult Basic Education Program thus supplements the more limited MDTA provision for remedial education of trainees who need this extra help in order to profit from occupational training.

Efforts of several kinds are underway to progressively strengthen the program. Special training institutes have been held for teachers and administrators, chiefly in summer sessions at colleges and universities across the country, to acquaint them with the special problems of the disadvantaged and to improve their techniques for teaching this group. Several demonstration projects have also been sponsored by the Office of Education to aid in developing new and more effective teaching methods and materials. Other special projects are aimed at enrolling undereducated people—the hard to reach and hard to teach—including migratory farmworkers, people in the remote areas of Appalachia, Mexican Americans, and other minority groups in poor urban and rural areas.

The level of funding for the program will largely determine the pace of progress in eliminating adult illiteracy in the United States. Since fiscal 1965, Congress has appropriated nearly $109 million for this program. Annual appropriations have more than doubled during the 4 years: in fiscal 1965, the appropriation was $19 million; for fiscal 1968, nearly $39 million. However, the scale of program operations is still much below that required to quickly reduce the educational deficiencies which now contribute so heavily to the national problems of poverty and hard-core unemployment.

Vocational Education

The ability of the public schools to provide work preparation for the Nation's youth and create better bridges between school and work was much increased by the Vocational Education Act of 1963. It will be enlarged even more by the Vocational Education Amendments of 1968, the most significant legislation dealing with occupational education since the Smith-Hughes Act of 1917, which initiated the federally aided program of occupational education.

The 1963 act represented essentially an opening of doors to a broad vocational education program attuned to both community needs for trained workers and students' capabilities and interests. Whereas Federal aid was previously limited to training in specified occupational categories, this act permitted the schools to use Federal funds to prepare individuals for gainful employment in all occupations except those requiring 4 or more years of college education.

In addition, the act stressed the importance of making comprehensive, modern vocational education programs more widely available by requiring that, during the first 5 years, at least one-third (thereafter, one-fourth) of the new funds be spent either for the construction of area vocational schools or for postsecondary vocational education. To make sure that educators had realistic information about current and projected job opportunities and that the facilities of the public Employment Service were generally available to graduating students, the act called for close cooperation between vocational education agencies and the Employment Service. And it provided large funds for research and experimentation to improve vo-

TABLE 12. ENROLLMENTS IN FEDERALLY AIDED VOCATIONAL-TECHNICAL EDUCATION, BY FIELD OF EDUCATION, FISCAL YEARS 1964 AND 1967

Field of education	Number (thousands)		Percent distribution		Percent change, fiscal year 1964–67
	Fiscal year 1964	Fiscal year 1967	Fiscal year 1964	Fiscal year 1967	
Total	4,566	7,048	100.0	100.0	54.4
Agriculture	861	935	18.9	13.3	8.6
Distributive	334	481	7.3	6.8	44.0
Health	59	115	1.3	1.6	94.9
Home economics	2,022	2,187	44.3	31.0	8.2
Office	----------	1,572	----------	22.3	----------
Technical	221	266	4.8	3.8	20.4
Trades and industry	1,069	1,491	23.4	21.2	39.5

NOTE: Detail may not add to totals due to rounding.

SOURCE: U.S. Department of Health, Education, and Welfare, Office of Education.

cational programs and for other supportive services.[5]

To assess progress in implementing its objectives, the act required that a National Advisory Council on Vocational Education be assembled and report to the Congress at least once every 5 years. The first report of the Advisory Council, submitted in 1968, contributed to the Vocational Education Amendments of that year.

DEVELOPMENTS UNDER THE 1963 ACT

Program Expansion

The brief 4 years since funds first became available under the new act have witnessed a major expansion in federally aided vocational education enrollments. Most of this growth reflects enrollments in office occupations programs, which were for the first time made eligible for Federal aid by the 1963 act. But important growth and shifts in emphasis occurred in other fields as well.

Total enrollments climbed from 4.6 million in 1964 to 7 million in 1967, and reached an estimated 8.2 million in fiscal 1968. In the 1964–67 period, high school enrollments rose from 2.1 million to 3.5 million; postsecondary day school enrollments from 171,000 to 500,000; and enrollments of adults in part-time programs from 2.3 to 2.9 million. (See chart 13.)

Following are some highlights of the growth and shifts in enrollments in the major categories of vocational education.

Office Education. By far the greatest change in vocational education enrollment resulted from the addition of office education to the federally aided program. (See table 12.) Enrollments increased from 731,000 in 1965 to 1.6 million—or 22 percent of the total in all fields—in 1967. In addition to stenographic, secretarial, and typing courses, there are programs in data processing, general office, communications, and personnel work.

This has long been a large and effective occupational training program, chiefly for girls and mainly at the high school level. Persistent shortages of well-prepared office workers have demonstrated the need for the strengthening and growth in this program made possible by the 1963 act.

Health Occupations Education. Enrollments in health-related vocational programs reached 115,000 in 1967, nearly double the 1964 total. Most of the growth was in adult programs, but there were increases in high school and postsecondary programs as well (to 17,000 and 54,000, respectively in 1967).[6] The largest enrollments have been in

[5] For a discussion of the major directions of research under the act, see the chapter on Manpower Research.

[6] See appendix table F–17.

practical nurse, nurse aide, associate degree nurse, and dental assistant programs. This area is expanding and new curriculums are being offered for occupations such as medical laboratory assistant, dental hygienist, medical X-ray technician, and surgical technician.

Distributive Education. Total enrollment in this program, which prepares students for marketing, merchandising, and related occupations, rose from 334,000 in 1964 to 481,000 in 1967. The number of high school students in the program almost tripled.

Trade and Industrial Occupations. Enrollments in programs which prepare students for skilled and semiskilled occupations in industry increased substantially—from 1.1 to 1.5 million between 1964 and 1967. Offerings range from the more traditional programs such as carpentry and plumbing to occupations as diverse as law enforcement and atomic energy work. Training is given for many occupations plagued by shortages of qualified workers.

Technical Education. Usually offered at the postsecondary level, technical education prepares students for occupations in which a combination of skills and theoretical training is required and which frequently involve work with professional personnel in a supporting capacity. Enrollments rose from 221,000 to 266,000 from 1964 to 1967, chiefly in engineering and science-related specialties. However, programs to prepare technicians in office, health, and home economics areas are being introduced also.

Agriculture. The persistent and sharp decline in farm employment, which has been accompanied by a strong trend toward urbanization, is reflected in a marked shift in emphasis in secondary vocational agriculture courses. Once directed largely at the improvement of farm production, vocational agriculture is increasingly directed toward farm-related activities, such as horticulture, agricultural supplies and services, conservation, and agricultural technology. In 1965, 56,000 high school boys were enrolled in such courses, as compared with 461,000 in farm production courses. By 1967 the number in off-farm occupations had nearly tripled, rising to 152,000, while farm production course enrollment had dropped by almost one-fourth, to 357,000.

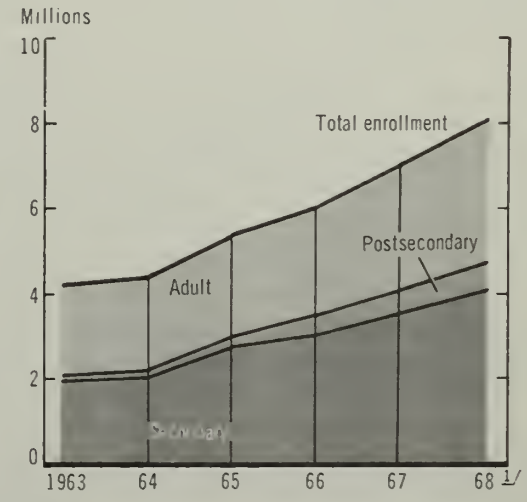
Total enrollments in high school vocational agriculture courses reached a peak (nearly 517,000) in 1965. In 1967 this figure dropped to 509,000. During the same period the number of adult enrollees, most of whom were in part-time upgrading courses, rose from 367,000 to 413,000. Postsecondary enrollments, though still very small at 8,000, quadrupled in the same years.

Home Economics. Enrollments in home economics courses averaged about 2 million during the 1964–67 period. This is still by far the largest enrollment field for high school girls and is chiefly concerned with homemaking. Some shift in enrollments to programs that offer preparation for gainful employment is apparent. In 1967, not quite 3 percent of the home economics students were enrolled in job-related programs, but this was four times the proportion in 1965.

Special Needs Programs. The 1963 act indicated great concern for meeting the needs of persons with special educational handicaps. Accordingly, many new vocational programs were initiated to serve young people with such problems. The first enrollments in these special programs occurred in

CHART 13

Enrollments in federally aided vocational education classes have expanded rapidly at all levels.



1/ Estimated.

Source: U.S. Department of Labor, based on data from the U.S. Department of Health, Education, and Welfare.

1965, when about 26,000 young people participated; by 1967, the figure had grown to 74,000. In addition, about 93,000 students with special needs were enrolled in regular vocational education programs. Altogether, enrollments of such students amounted to less than 3 percent of total vocational enrollments. They have continued to grow but are still far below the level required to provide opportunities for all educationally handicapped people who would benefit from vocational training.

Area Vocational Schools

One notable effect of the 1963 act was the expansion and modernization of vocational education facilities, sparked by the availability of large new funds for construction of area vocational schools. The concept of area schools is widely hailed by progressive educators. Such schools permit students from a number of school districts to obtain high-quality vocational education in a single location and thus circumvent the problems of high cost which make it impossible or difficult for small schools to offer needed vocational programs.

By mid-1966, 45 States reported that they had built or were building new schools or had remodeled and renovated existing facilities with Federal aid. By mid-1968, the number of such projects totaled nearly 1,200; most of these were in comprehensive high schools.

Cooperative Relationships with the Employment Service

Close meshing of vocational education with employment requirements was one of the fundamental ideas embodied in the 1963 act. Specifically, the act required that the State plans, without which a State could not receive new funds, must insure periodic evaluation of vocational education programs in the light of current and projected manpower needs. The plan must provide also for cooperative arrangements with the public Employment Service system of the State, under which the employment offices furnish vocational education agencies with "occupational information regarding reasonable prospects of employment in the community and elsewhere." In turn, vocational educators provide information useful in the placement of students and other Employment Service activities.

Cooperative agreements have been signed in all States, and progress has been made in implementing them, within the limits of available resources. The State Employment Service agencies have provided vocational educators with estimates of manpower needs for use in their annual program plans and have extended counseling and placement services to students—often building upon long-standing programs of job market research and cooperation with the schools.

In efforts to carry out the responsibilities assigned to it by the 1963 act, the Employment Service has been hampered because no extra resources were provided for this work. In the words of the National Advisory Council on Vocational Education in 1968, " . . . the need for budget and staff resources to support Employment Service activities remains a serious obstacle." This problem should be relieved, however, as a result of the Vocational Education Amendments of 1968, which provide for the allocation (by the Commissioner of Education to the Secretary of Labor) of up to $5 million for national, State, and local studies and projections of manpower needs. It is anticipated that improved job market information will thus be made available to vocational educators at all levels, as a guide in curriculum development and other aspects of their program planning.

The Placement Record

Passage of the Vocational Education Act of 1963 was spurred by the high levels of unemployment among young people in the period of transition from school to work. The act focused on the need for a flexible and responsive educational system to give more salable skills to students who do not complete a college education.

The placement record shows that current vocational programs are doing a successful job of preparing their graduates for jobs. Followup data are available on nearly 745,000 students who completed formal day school programs at the secondary or postsecondary levels in fiscal 1967 (exclusive of graduates of nonvocational home economics programs). Of those available for work, 95 percent were employed at the survey date. Among those with postsecondary preparation, 88 percent had been placed in training-related jobs, and among the high school graduates, 76 percent were in such jobs. Only about 5 percent were unemployed, and only 4 percent had part-time jobs. (See table 13.)

TABLE 13. FOLLOWUP OF ENROLLEES IN PREPARATORY VOCATIONAL EDUCATION PROGRAMS, FISCAL YEAR 1967

Status at time of followup	Number of enrollees (thousands)			Percent distribution		
	All programs	Secondary	Post-secondary	All programs	Secondary	Post-secondary
Program requirements completed	744.9	603.9	141.0	100.0	100.0	100.0
Placed or available for placement	411.1	321.2	89.9	55.2	53.1	63.8
Not available for placement	251.0	225.8	25.2	33.7	37.4	17.8
Data not available	82.9	56.9	26.0	11.1	9.4	18.4
Placed or available for placement	411.1	321.2	89.9	100.0	100.0	100.0
Placed related to training, full time	322.6	243.7	79.0	78.5	75.9	87.8
Placed unrelated to training, full time	53.8	48.8	5.0	13.1	15.2	5.6
Placed part time	15.3	11.9	3.4	3.7	3.7	3.8
Unemployed	19.4	16.9	2.5	4.7	5.2	2.8
Not available for placement	251.0	225.8	25.2	100.0	100.0	100.0
Entered Armed Forces	44.7	39.4	5.3	17.8	17.4	21.2
Continued school full time	177.9	162.2	15.7	70.9	71.9	62.4
Other reasons	28.3	24.2	4.1	11.3	10.7	16.4

NOTE: Detail may not add to totals due to rounding.

SOURCE: U.S. Department of Health, Education, and Welfare, Office of Education.

This record reflects the experience of more than half of the graduates—those available for employment. The others were attending school full time, were in the Armed Forces, or were out of the labor force for other reasons.

The 5.2-percent unemployment rate among graduates of secondary school vocational programs contrasts sharply with the 16-percent unemployment rate in October 1967 for all June 1967 high school graduates no longer in school. The two rates are by no means exactly comparable. Nevertheless, the great difference between these rates indicates that graduates of vocational programs generally make a more satisfactory transition into employment than those who finish high school without specific occupational training and do not continue their education.

THE VOCATIONAL EDUCATION AMENDMENTS OF 1968

The record of accomplishment under the 1963 act, of which these are only a few highlights, was examined in breadth and detail by the National Advisory Council on Vocational Education.

In its report to the Congress, the Council outlined the substantial progress which had been made. It also pointed to certain limitations. The Council found, and the Congress later agreed, that fiscal 1968 programs were reaching far too few students and were still failing to meet the needs of important segments of the population. In particular, the Council reported that:

> While vocational education programs and services have expanded across all population segments, the expansion has not been great enough in response to the needs of people in metropolitan areas, particularly for the culturally and economically disadvantaged, and residents of slum and ghetto neighborhoods.
>
> Few programs have been developed to reach the high school dropout.
>
> Data are not available to indicate the degree to which minority groups are being served by vocational education.[7]

[7] "Vocational Education—The Bridge Between Man and His Work," General Report of the Advisory Council on Vocational Education, 1968. Reprinted as part of *Notes and Working Papers Concerning the Administration of Programs Authorized Under Vocational Education Act of 1963, Public Law 88-210, As Amended* (Washington: 90th Cong., 2d sess., U.S. Senate, Subcommittee on Education of the Committee on Labor and Public Welfare, March 1968), p. 87.

The Council also made a comprehensive series of recommendations for dealing with these and other problems.

The Vocational Education Amendments of 1968, enacted with bipartisan support, embody most of the Council's recommendations. They constitute a far-reaching effort to update and restructure the entire body of vocational education legislation built up during the past 50 years, in order to adapt occupational education to the needs of all groups in the population and to the manpower requirements of the Nation.

The act lays major stress on expansion and improvement in vocational education programs for students who need special help to reach their maximum occupational potential—the physically and mentally handicapped, and those socially and economically disadvantaged. It also stresses the need for far greater expansion of postsecondary programs. In the words of the Senate report:

> The manpower needs of the economy are becoming so highly technical, varied and shifting that it is highly improbable that a single-purpose terminal secondary school training program can adequately prepare students for a lifetime career.[8]

The 1968 act permits great flexibility; it authorizes large resources which will be at the disposal of State and local education agencies. But it also specifies new categorical allotments, to assure more adequate training opportunities for two broad groups—first, people in urban ghetto areas and others with special handicaps and, second, those seeking post-high school education.

Groups with Special Needs

Highest priority is given under the 1968 act to the needs of the disadvantaged and the mentally and physically handicapped. New categorical provisions specify that:

—10 percent of the basic vocational education grants to the States must be reserved for the physically and mentally handicapped.

—15 percent of the basic grants in fiscal 1970 (and 25 percent of future increases in these grants) are to be used to aid the disadvantaged—those with academic, socioeconomic, or other handicaps.

—Funds over and above the basic allotments—amounting to $40 million in fiscal 1969 and 1970—are provided for special programs for educationally or socioeconomically handicapped youngsters.

—Residential schools are authorized. These schools will make it possible to provide young men and women 15–21 years of age with occupational training in an entirely new environment.

—Work-study programs are again authorized, continuing a program which has already helped thousands of youngsters to stay in school by providing part-time work to aid in their support.

The act requires that the special programs for the disadvantaged serve both public and private school students in areas with high rates of school dropout and youth unemployment. It also earmarks one-third of the home economics funds for the development of special programs in economically depressed areas aimed at improving the quality of home life. And it calls for stress on consumer education in home economics curriculums.

Strengthening of Vocational Education for All Groups

The new act also stresses the importance of breaking down the barriers between academic and general and vocational education and offering more effective programs at both high school and postsecondary levels. Significant provisions include:

1. A categorical requirement that 15 percent of the basic grants to the States (plus 25 percent of the increases in funds after fiscal 1970) be used for postsecondary education.

2. Sharply rising authorizations for cooperative vocational education to expand the learning-earning partnership of schools and industry and thus strengthen the bridge from school to work.

3. Funds for the development of exemplary programs, which will serve as models for occupational education courses to acquaint all children, even in the elementary grades, with the world of

[8] *To Amend the Vocational Education Act of 1963, and for Other Purposes*, Report of the Committee on Labor and Public Welfare on S. 3770 (Washington: 90th Cong., 2d sess., U.S. Senate, Committee on Labor and Public Welfare, July 11, 1968), p. 9.

work and the educational and training requirements for employment.

4. Fellowships which will enable vocational education teachers to have actual experience in industry. Special provision is also made for improving their human relations skills.

Supporting Services

Other important provisions include:

1. Funding for special Department of Labor studies to make available more comprehensive information on job opportunities for educational planning and guidance purposes.

2. National and State Advisory Councils on Vocational Education, to insure continuing communication among the concerned groups and a close relationship between vocational educators and employers.

3. Research and experimental and demonstration programs, to improve vocational training through curriculum development and other innovations.

SOME IMPLICATIONS

Profound changes in vocational education are thus called for by the 1968 amendments. The act offers the public schools great resources and imposes on them equally great responsibilities for developing the full potential of all the Nation's citizens.

A radical change in emphasis in school policy—from a "selecting-out" to a "selecting-in" approach—is the first requirement. In addition, much more must be done to help young people who are not interested in a general education. The schools at each level should also provide many more options or alternatives for the individual—for continuing education, for work preparation, for managing a household, or for any combination of these. To do this will require fundamental reorganization and broadening of the structure of education, linking vocational and general education into a more comprehensive, tightly knit system.

Finally, continuing education, open to citizens of all ages, is of vital importance to help people keep abreast of changes in their occupations, advance up the occupational ladder, or move into new fields. This broadening of competence would facilitate taking on new responsibilities and replacing outdated skills—or it might simply be the means of satisfying an individual's thirst for knowledge.

In the years ahead, individuals are likely to change occupations more often than has been common in the past, and the new occupations are likely to require wider knowledge and more sophisticated skills than the old ones. Thus, individuals will need much broader preparation for entrance into the labor force and also, as adults, will need to maintain flexibility and develop additional skills. The Vocational Education Amendments provide new and convincing evidence of the public determination to achieve these ends.

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ENLISTING PRIVATE INDUSTRY COOPERATION

Creative collaboration between private industry and Government is essential to any real solution to the urgent immediate problems of hard-core unemployment and poverty. It is also an important key to progress toward full development of the country's human resources.

The Manpower Development and Training Act launched the first major program of industry-Government cooperation in attacking critical manpower problems, through its provision for on-the-job training projects to be conducted by employers on contract with the Department of Labor. Although the numbers of OJT projects and enrollments were small at first, the program grew rapidly. More and more it has proved its worth as a pathway to training and job adjustment for the disadvantaged, as well as for workers who need only new skills to qualify for jobs.

Enlistment of maximum cooperation from private industry in hiring and training the disadvantaged has now become one of the mainstays of manpower policy. This is the essence of the Job Opportunities in the Business Sector (JOBS) Program—the most important new program called for by the President in his 1968 Manpower message.[1] But there is a much broader issue which must be considered also—whether, and by what means, Government should encourage and support increased occupational training in industry, not merely for the disadvantaged but for the work force generally.

This chapter is concerned first with the OJT and JOBS programs—their development, accomplishments, and limitations. Then it considers the potentialities for a general strengthening of private industry's training activities and the possible alternative means of achieving this, as outlined in the recent report of the Task Force on Occupational Training in Industry, established in 1967 by direction of the President.

On-the-Job Training Under the MDTA

Enrollments in on-the-job training projects rose steadily during the first 6 years of the MDTA program. From little more than 2,000 during the first 11 months of operation in fiscal 1963, the number of trainees in MDTA on-the-job training projects increased to 58,000 in 1966 and 125,000 in 1968. The shift in program emphasis to the JOBS Program in 1968 signaled a cutback in the size of the MDTA–OJT program. However, the total number of on-the-job training opportunities will continue to increase in this fiscal year, through the addition not only of the JOBS Program but also of OJT components in the new

[1] See *1968 Manpower Report*, p. xiv.

Work Incentive Program for welfare clients and in several other programs.[2]

This expansion in on-the-job training of the unemployed and underemployed signals a significant change in employer attitudes toward governmental training programs. Regarded hesitantly at first, OJT projects are now sought after as a means of financing training that benefits both the workers and the employers involved. In 1968, there were more requests for OJT contracts than could be funded with the available resources.

Improved employer response to the program reflects, in part, some streamlining of Government contracting procedures. In the past, employers regarded the contract forms as exasperatingly long and complicated. A short-form contract was therefore developed, with the specific purpose of encouraging smaller employers to participate, and arrangements were recently made to reimburse employers for more of the contracting costs than were previously allowable. In addition, technical assistance may be provided when needed to develop effective projects. And project operations are monitored in order to pinpoint problems and direct assistance where it is needed.

The training given through OJT projects has covered a wide variety of occupations. Enrollees are usually prepared for occupations such as aircraft subassembler, nurse aide, welder, and typist, although some have been trained in higher level occupations, such as draftsman and licensed practical nurse.

Some OJT projects have achieved the dual purpose of helping to meet the demand in skill-shortage occupations and, at the same time, providing training opportunities for the disadvantaged. Progress in including disadvantaged trainees has been slower in OJT projects than in the institutional training program, but has accelerated during the past year. Whereas in fiscal 1967 only 41 percent of all OJT enrollees were in this category, the proportion reached 49 percent in fiscal 1968 and attained the goal of 65 percent during the first quarter of the current fiscal year.

On-the-job training of workers with severe educational and cultural handicaps has been aided by the development of "coupled projects," which combine skill training with basic education and help in developing communications skills and acceptable attitudes toward work. More than one-third of all OJT enrollees during fiscal 1968 were in "coupled projects."

Problems have been encountered in recruiting disadvantaged trainees and retaining them during the first stage of coupled programs, which usually involves classroom training. It has been found that trainee interest in coupled projects may be strengthened by substituting vestibule training on the employer's premises for classes in schools. And new methods of active outreach to recruit the hard-core unemployed, not considered in earlier OJT efforts, are now being used.

PROGRAM DEVELOPMENTS

The OJT program is a versatile training vehicle that can be adapted to special objectives and can utilize a variety of administrative and training approaches, such as the coupled projects just discussed. The following are some other examples of important program developments.

Redevelopment Area Program

A program of on-the-job as well as institutional training in depressed areas is authorized by section 241 of the Manpower Development and Training Act. The aim is to train workers for the new or expanding businesses which are being established in areas designated by the Economic Development Administration as eligible for redevelopment assistance.

About 900 areas with a population of some 26 million have been so designated. However, the MDTA program has so far reached only a small proportion of the eligible areas and the disadvantaged workers living there who would benefit from occupational training. During fiscal 1968, more than 14,000 residents of redevelopment areas, most of them unemployed and disadvantaged, were scheduled for on-the-job training. A great many were members of minority groups, including Indians, and many were on public assistance.

An example of a project for the training of Indians is the one on the Pine Ridge Indian Reservation in South Dakota. A manufacturer of fishing tackle built three plants on this reservation

[2] For a discussion of these programs, see the following section on the JOBS Program and the chapter on Meeting Individual Needs.

and has trained and employed 285 Indians in production work. In another project, 100 Indians on the Navajo Reservation in Arizona are being trained as operators of heavy earthmoving equipment. Still another example is a cooperative food processing plant in Mississippi, which has a project to train 520 workers.

Projects of this kind, which train people in rural areas for locally available jobs, have an import extending far beyond the communities directly involved. If the program could be expanded, it would help to encourage rural residents to stay in their home communities, instead of migrating to the cities and adding to the concentrations of impoverished people in the slums.

Labor Education Advancement Program

This program, known as LEAP, is designed to reach out to young men in minority groups, motivate them to become apprentices, and help them to pass apprenticeship entrance examinations. It helps these disadvantaged youth find jobs as apprentice "trainee-workers," usually in the construction trades. The Nation's great unmet need for housing and the programs authorized by the Housing and Urban Development Act of 1968, which offer substantial opportunities for employment of ghetto residents in meeting that need, lend special import to this innovative project.

In late 1968, about 45 apprenticeship outreach projects were operating in major cities. Twenty more projects were in various stages of promotion and development. Of the 2,425 minority youth then authorized for the training, 1,656 had already been placed in bona fide apprenticeships.

Some of the active sponsors of outreach programs are the National Urban League, the Opportunities Industrialization Centers, and the building and construction trades councils of the AFL–CIO.

There are problems of acceptance of the program in some communities. However, the apprehensions and misconceptions which underlie these problems are being overcome, and the program is moving forward.

National OJT Contracts

Another important phase of the OJT program is the negotiation of national contracts, designed to operate in more than one region and in several States. This type of contract may be with a large company, a trade or professional association, or a union whose scope of operations is nationwide. Many of these contracts are carried out in coupled projects.

Contracting on a national basis facilitates training for shortage occupations over a broad geographic area. It eliminates the necessity for developing a large number of small contracts with different employers. The participation of national sponsors also contributes to wider recognition of the feasibility and importance of training disadvantaged persons for the occupations involved, as well as of the need for intensified efforts to meet skill shortages.

The national contract with the Association of Rehabilitation Centers is an example of one with a good performance record. By late 1968, the association had trained substantial numbers of disadvantaged workers in the health occupations and placed them in jobs. The original contract was for 750 trainees; it was subsequently increased to 1,374 trainees.

The National Tool, Die and Precision Machining Association was one of the first OJT contractors. This association has developed contracts in 26 States, covering mainly apprenticeable occupations. Employer interest in the projects is indicated by the fact that openings which cannot be filled under existing contract resources have numbered around 900 over a considerable period.

The National Association of Home Builders' contracts authorized 1,000 carpenter trainees in 16 States. This is a coupled program, combining classroom and on-the-job training. By late 1968, 300 young men had already completed their training and were helping to relieve the widespread shortages of qualified workers in this occupation.

The United Brotherhood of Carpenters has two active contracts providing for the training of 4,858 persons, including the upgrading of 615 journeyman carpenters. The first contract provided for the enrollment of only 1,000 trainees, but this number was substantially increased within a very short period.

Cooperation from organized labor has contributed greatly to the OJT program since its inception. The concerned unions are involved in the initial planning of projects and in the contract negotiations. Their support is also important in the job placement phase, after training is completed.

PROGRAM RESULTS AND CONTINUING NEEDS

One of the notable aspects of the OJT program is the high placement rate among its trainees. Of the 54,500 trainees who completed OJT projects in fiscal year 1967, 90 percent were employed at the time of the last posttraining followup, most of them in training-related work. (See chart 14.) Not enough time has elapsed for similar followup on the 60,000 who completed training in fiscal 1968.

Furthermore, the average cost to the Government of MDTA on-the-job training is relatively low. It approximates $650 per trainee, more than $900 below the average for the institutional training program. And the estimated benefits of the program substantially exceed the costs. The pilot study comparing costs and benefits of MDTA training, already referred to in the chapter on Manpower Development Through the Schools, showed a net Federal benefit-cost ratio for OJT of 3.28 to 1 in the single year following training.[3]

A brief survey of employers' and unions' reactions to the MDTA on-the-job training program was made for the Task Force on Occupational Training in Industry. On the basis of this survey, it was concluded:

> . . . The employers and unions canvassed evidenced generally favorable attitudes toward MDTA-OJT programs and voiced their intention to continue using them. Some said MDTA OJT made it possible for them to train the "disadvantaged, hard-core, and underprivileged," and provided a motivation to train those whose qualifications were substantially less than prevailing job requirements. Respondents judged MDTA-OJT to be a better training instrument for entry than for higher level occupations. The need for counseling and remedial education was expressed by some.[4]

The resources available for the program have not been commensurate, however, with the total need for such training. Many smaller cities and rural areas have special need for expanded OJT training opportunities, particularly since the JOBS Program is concentrated in the larger urban areas. Furthermore, OJT can perform an important service by providing training for workers who are jobless or underemployed but not disadvantaged—including great numbers of returning Vietnam veterans, school dropouts, workers in jobs below their potential skill levels, and those whose skills are made obsolete by technological change.

The most recent full review of the OJT program by the Department of Labor, completed in December 1966, concluded that the program was an essentially successful one. A series of detailed recommendations was made, however, with respect to improvements in contract administration, the efficiency with which trainee slots were filled, sources from which trainees should be recruited, training methods, and linkages of the projects to other programs and community agencies.

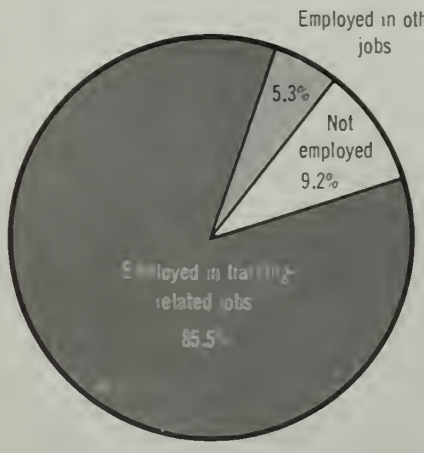
Intensive efforts have been made to carry out these recommendations, but the need for further progress is recognized. In particular, there is need for provision of more counseling, coaching, and other supportive services to help disadvantaged trainees profit more fully from the program, for additional technical assistance to cooperating employers, and for further streamlining of the program's administrative aspects.

In addition, the resistance of some industries and companies to entering into contractual rela-

[3] For a fuller discussion of the study, see Technical Appendix A.

CHART 14

Most workers completing on-the-job training get jobs.



Completions in fiscal year 1967

Source: U.S. Department of Labor.

[4] *A Government Commitment to Occupational Training in Industry* (Washington: Task Force on Occupational Training in Industry, August 1968), p. 50.

tionships with the Government still hampers the development of training projects. The expansion of OJT projects in industries with large numbers of semiskilled production workers would open greatly needed opportunities for training of the hard-core unemployed.

The JOBS Program

The Job Opportunities in the Business Sector Program ranks with the program of on-the-job training established 6 years before by the MDTA as an innovative undertaking by industry and Government on behalf of the unemployed. The JOBS Program differs from the OJT program in several fundamental respects:

—It serves only disadvantaged workers.

—It is targeted to the 50 largest urban areas.

—It relies on employers to provide not only jobs and training, but also the full range of supportive services required to help disadvantaged workers make a satisfactory job adjustment.

—It utilizes the services and support of businessmen to help develop and promote the program's efforts.

The launching of the JOBS Program was encouraged by the record of success in industry training of the unemployed built up by many OJT projects. But this new program had its roots also in another line of program development which began with experimental and demonstration projects and continued through a series of pilot programs in which the conclusions suggested by the earlier projects were tested and refined.[5]

Although these pilot programs differed in detail, they were all aimed at testing the basic idea of immediate employment for the hard-core unemployed, and at exploring the training methods and related services that would be most effective in increasing these workers' skills, employability, and stability on the job. They were concerned also with the best ways of enlisting employers' cooperation in the program and of helping them to overcome the serious problems entailed in absorbing disadvantaged people into their work force.

The JOBS Program involves a commitment by employers to hire these workers first and train them afterward—building on the accumulated evidence that initial placement in jobs at regular wages does much more to motivate a disadvantaged individual than a training period before employment with only a promise of a future job. The program puts at the disposal of industry the services and financial support of Government, which experience has shown are essential if the disadvantaged unemployed are to receive the range and depth of services required to help them become productive workers.

To enlist the support of the business community in this effort, a National Alliance of Businessmen was formed. The NAB has a national executive board composed of the top executives of some of the country's major companies, with Henry Ford II as chairman and J. Paul Austin of the Coca-Cola Company as vice chairman. It is organized also on a regional and city basis, with offices and personnel contributed largely by industry. NAB is responsible for encouraging employers to pledge jobs for the program. Information on the JOBS Program and invitations to participate in it have been widely distributed by the NAB to companies in the 50 metropolitan areas where the program is operating.

The cooperating companies provide jobs and training for hard-core unemployed workers and bear as much of the cost as would be involved in their normal recruitment and training operations. The extra cost of added training, counseling, remedial education, prevocational training, health services, and other specialized support needed to bring disadvantaged individuals to a satisfactory level of productivity and keep them on the job may be offset by funds provided through a Department of Labor contract. In order to encourage smaller companies to participate, an optional standardized program approach has been developed. Intensive efforts have also been made to give cooperating employers all possible technical assistance in developing plans and formal proposals.

[5] For a discussion of these pilot and test projects, see the chapter on the Experimental and Demonstration Program; also see *1968 Manpower Report*, pp. 199–201.

In addition to offering direct financial assistance to employers, the Department of Labor, joined by the National Alliance of Businessmen, is sponsoring a special "sensitivity" seminar program to assist employers in orienting their supervisors and management to the special needs and problems of the hard-core unemployed. To aid employers further in accomplishing the JOBS goal, a unique program to train rank and file workers as job coaches and counselors has been developed cooperatively with the AFL–CIO. Dubbed the "buddy system," the program pairs "sensitized" workers with the hard-core unemployed to provide job adjustment assistance.

The JOBS goal is to put 500,000 disadvantaged persons in jobs by June 1971, with an interim goal of 100,000 to be placed by June 1969.

As of November 1968, 574 projects involving almost 54,000 employee-trainees had been funded in the overall JOBS Program at a cost of $150 million. Most of the contracts cover the extraordinary costs involved in training and providing supportive services to the disadvantaged, including special orientation, basic education, transportation assistance, health care, and job coaching or counseling on the job. In addition, many employers are hiring and training disadvantaged individuals, without Government contracts, and themselves absorbing the added costs of these special services.

By the end of September 1968, in the total JOBS effort, nearly 12,000 private firms had provided employment for 84,000 workers, of whom 61,000 remained on the job, according to the NAB. Turnover among those hired has averaged about 4 percent per month, about the normal rate for entry-level jobs. In view of the rate of hiring in late 1968, it was anticipated that the first-year goal of 100,000 hard-core persons on the job would be reached by January 1969—5 months ahead of schedule.

Data on the characteristics of the persons hired show that the objective of serving the seriously disadvantaged was being met. Among the workers on the job as of November 1968:

—75 percent were Negro and 10 percent had Spanish surnames.

—The average level of education was below 11th grade.

—Unemployment had averaged 23.7 weeks in the last year.

—Average annual family income was $2,790.

—76 percent were male and 24 percent female.

—66 percent were between 20 and 40 years of age, 23 percent under 20, and 11 percent over 40.

A full assessment of program results is not possible at this early stage, but it is apparent that the start made is highly promising. The attitude of participating companies is generally either optimistic or enthusiastic, and they concur regarding the validity of the JOBS idea and intent.

There are, of course, problems still to be resolved at critical points in the program—the need for more effective recruitment, job placement, and followup on employers' pledges of jobs.

The immediate effect of the JOBS Program has been to employ those formerly thought to be unemployable. However, the benefits of JOBS are more far reaching. The intensified training and supportive services are designed to make the hard-core unemployed *permanent* productive members of the labor force. The skills gained through the JOBS Program open the doors to advancement to those formerly without hope. Moreover, what the private employer's experience in the JOBS Program has taught him about the problems of the hard-core and the possible solutions to them will, in a large number of cases, have a spillover effect on the company's regular training and employment practices.

The Task Force on Occupational Training in Industry

The industry-Government partnership in training and hiring the hard-core unemployed represents an immediate response to a most pressing social and economic problem. Even as this partnership was being implemented, the President called for the establishment of a task force to assess industry's long-term role in meeting the Nation's occupational training needs.

In his *1967 Manpower Report*, the President said:

> As the demand increases for workers with special skills, we should take positive steps particularly to encourage private job training efforts:
>
> . . . I am directing the Secretary of Labor and the Acting Secretary of Commerce, in cooperation with other Federal agencies, to establish a Task Force on Occupational Training. This task force, with members drawn from business, labor, agriculture, and the general public, will survey training programs operated by private industry, and will recommend ways that the Federal Government can promote and assist private training programs.[6]

The Task Force was appointed in December 1967, and its final report was issued 8 months later.[7]

The future role of training in private industry was considered in the context of the Nation's total projected training needs. It was concluded that these needs were so large that they justified an explicit Federal commitment to adequate levels of occupational training.

The Task Force recommended that this commitment be expressed in a National Training Act, which would in some respects parallel the Employment Act of 1946. And it further recommended a series of specific steps to enhance the contribution of private employers to the development of workers' occupational skills.

A major conclusion was that Federal reimbursement of training expenses should be provided in order to overcome economic barriers to training in industry and to assure that training is conducted in areas of national interest. Such Federal assistance should, in the judgment of the Task Force, be directed to six broad objectives:

—Training, education, or supportive services for the disadvantaged, hard-core unemployed, underemployed, handicapped, and new entrants into the work force.

—Orienting supervisory personnel to the problems of seriously disadvantaged workers.

—Enabling smaller firms to provide training for their own employees.

—Training beyond a given employer's requirements for the general needs of the job market in specific areas of Federal interest.

—Training in establishments—for example, in health services—whose financing mechanisms do not permit substantial investment in training and where it would be socially undesirable to pass the training costs on to the consumer.

—Training in critical occupations with chronic personnel shortages.

The Task Force emphasized, however, that current programs should continue to give first priority, in allocating on-the-job training funds, to employers who agree to hire and train the disadvantaged.

The Task Force considered several methods of reimbursing employers for training costs and concluded that direct payments, rather than alternative methods such as tax credits, appeared to be the most effective financial device. However, it also recommended that, in extending the direct payment method, contracting procedures should be simplified as much as possible in order to lessen the burden on employers in negotiating and operating training projects. Progress along these lines has already been made in the MDTA on-the-job training program, through the development of a short-form contract.

A minority of Task Force members took exception to the conclusion that direct reimbursements should be the *only* method of reimbursing employers for training costs and to the rejection of tax incentives as an alternative approach. They proposed a plan which would offer employers three options:

—Direct payments, under negotiated contracts with the Government, for reimbursable training expenses.

—Allowance of tax credits, keyed to trainees' wages under a stated schedule, to employers who hire trainees certified by the Employment Service as disadvantaged or otherwise qualified for federally supported training.

—Direct payments, under a stated schedule, in partial reimbursement of wages paid by employers to trainees so certified by the Employment Service.

In reviewing current Federal programs involving job training in private industry, the Task Force further concluded that the Government should make a greater effort to promote training programs to raise the skill levels of employed workers. Upgrading is a highly efficient and

[6] *1967 Manpower Report*, p. xvii.

[7] *A Government Commitment to Occupational Training in Industry* (August 1968).

socially desirable way to meet skill shortages, to move the underemployed out of low-level positions, and to increase employment opportunities in entry-level jobs. To this end, the Task Force recommended that a separate title be added to the MDTA, authorizing training and basic education programs in industry designed to raise the skill levels of employed workers, and that adequate funding be provided for them. It also recommended that the Government provide financial aid to employers for job redesign and job rearrangement analyses addressed to the creation of career ladders.

Greater utilization of other Federal programs in expanding industry's training activities was also recommended. For example, the existing authority under Federal procurement contracts could be used more extensively to support training by Government contractors.

With a major expansion in cooperative work-education programs in secondary schools and junior colleges as the objective, the Task Force called for Federal financial and technical assistance to schools and employers in connection with these programs. It also expressed the opinion that the Armed Forces could and should do more to prepare servicemen for civilian jobs. The Task Force Report calls upon the Department of Defense to provide every serviceman who is approaching discharge or retirement with an opportunity to receive training for civilian employment, either in Armed Forces training facilities or through contracts with private firms. It recommends that servicemen be permitted to extend their enlistments for 1 year to receive this training.

The Task Force found that two major reasons why many employers—particularly small and medium-sized firms—do little if any training are lack of training expertise and insufficient awareness of the need for, and potential value of, training in their operations. Accordingly, it recommended that the Federal Government undertake (1) a comprehensive program of technical assistance to employers in setting up and improving training programs utilizing the expertise of private firms and organizations, and (2) promotional activities designed to encourage occupational training in industry.

In the course of its investigation, the Task Force found many gaps in information on the extent, cost, and quality of ongoing occupational training. To fill these and other informational needs, a detailed program of research was recommended.[8]

In addition, several areas were identified in which special studies should be initiated to lay the basis for future policies and programs. For example, the Task Force recommended a thorough evaluation of apprentice training and of the Federal Government's role in promoting it and setting standards, with a view to expanding apprenticeship while maintaining its high quality.[9]

The report also called for a prompt review of legal and administrative requirements and practices which tend to serve as barriers to training in industry. These include occupational licensing regulations that make it difficult for persons to enter or train for particular occupations, inflexible practices of employers regarding the hiring of ex-convicts and persons with arrest records, and unnecessarily stringent criteria for security clearances of persons employed in private industry under Government contract.

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[8] Ibid., pp. 105–114. Some of these recommendations are discussed in the chapter on Manpower Research.

[9] Ibid., p. 16.

MEETING INDIVIDUAL NEEDS

Within the universe of those needing manpower services are the young and the no-longer-young, the illiterate and the well-educated but skill-rusty, the physically disabled and the mentally retarded, the rural and the ghetto resident. Manpower programs to fit the needs of such disparate groups, have, of necessity, wide variations in approach, content, and techniques.

Some programs—for example, the Job Corps for seriously disadvantaged youth—are oriented to particular groups. Others, like MDTA institutional training, are useful for many different groups in a variety of settings. Still others have been built around one particular technique or service approach. Thus, work experience has been found an effective means of increasing the employability of persons with highly intractable job problems, whether they are culturally deprived and alienated youth, older workers, or women on welfare. And the "new careers" concept has found expression in a program by that name, based on developing entry-level jobs and work training with opportunities for planned promotions up a career ladder.

This chapter is concerned, first, with the series of work-experience and related programs developed during the past 4 years, in pursuit of the most effective approaches to meeting the manpower needs of disadvantaged individuals. Second, it focuses on several peculiarly disadvantaged groups—American Indians, Spanish-speaking Americans, rural residents, older workers, prison inmates, and the handicapped—whose special problems require and have evoked special remedial programs and approaches. Finally, there is a discussion of the comprehensive manpower services provided for returning veterans.

Work-Experience and Related Programs

Authority to add work experience to the arsenal of major manpower programs was provided by the Economic Opportunity Act of 1964 (EOA). This act enunciated as national purpose the elimination of "the paradox of poverty in the midst of plenty . . . by opening to everyone the opportunity for educational training, the opportunity to work, and the opportunity to live in decency and dignity."

Title I of this act established two youth programs—a work-training program which materialized in the Neighborhood Youth Corps, and the Job Corps with its residential setting. Title V authorized a program of work experience for unemployed fathers and other needy persons. The administration of the NYC was delegated to the Secretary of Labor, while administration of title V went to the Secretary of Health, Education, and Welfare, already engaged in a limited effort to provide manpower services to welfare clients under the 1962 amendments to the Social Security Act.

Amendments to the Economic Opportunity Act in 1965 and 1966 made significant changes in the NYC, defined the Job Corps more explicitly, and added programs known as Operation Mainstream, New Careers, and Special Impact. The most recent EOA amendments, passed at the end of 1967, emphasized coordination and consolidation of ongoing programs in a given area. They provided for further experimentation by the Job Corps and made minor changes in other programs.

NEIGHBORHOOD YOUTH CORPS

From its inception in 1964 until mid-1968, the Neighborhood Youth Corps enrolled nearly 1.6 million young people from low-income families and placed them in varied work activities. As a first step in overcoming handicaps to employment, the NYC youth gain genuine work experience in a supervised work setting, thereby beginning to establish work habits and attitudes that will stand them in good stead for their whole working lives.

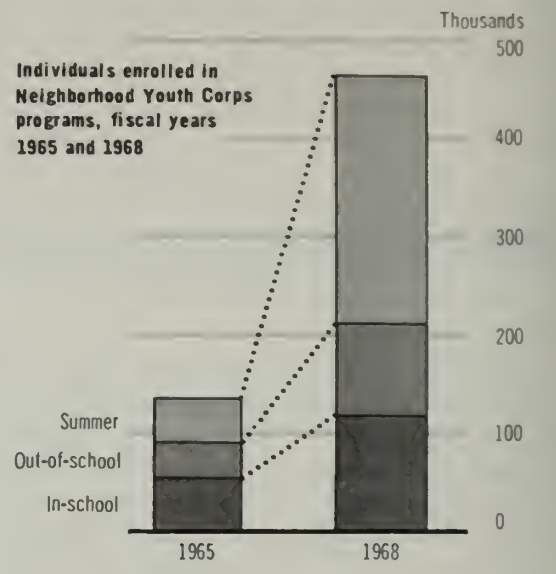
The NYC Program has three separate components with somewhat different objectives—an in-school program for youth of high school age (not necessarily in high school grades), an out-of-school program, and a summer program designed to encourage high school students and dropouts to return to school in the fall. (See chart 15.)

For the nearly 200,000 disadvantaged youth served [1] by *the in-school program* during fiscal 1968, the objective was to make it easier to remain in school, through financial assistance earned by part-time work. In order to encourage rather than impede continued education, in-school enrollees are limited to a maximum of 15 hours work per week. The pay is $1.25 per hour.

The payment of wages to NYC youth has the purpose of covering basic necessities such as clothing and school supplies and perhaps helping out with family expenses, thus facilitating school attendance, as well as furnishing a work incentive. For youth in poverty-stricken families financial pressure at home may be a critical factor in deciding between further education and immediate entry into the job market. Low-income families are

CHART 15

Great majority of NYC enrollees are in summer and in school programs.



Source: U.S. Department of Labor.

notable for their frequent disinterest in long-range personal plans, probably because of a pervasive feeling of futility about sustaining such plans. The availability of the NYC program is thus a strong positive factor for school continuation in the face of an often negative home environment. Even school dropouts show, by joining the out-of-school program, that they may not have given up. They are still people with ambition, with alternatives. The minimal pay they receive is tangible support of their individual effort. Furthermore, the NYC—with its counseling services and working relationships with the Employment Service, other government agencies, industry, and labor—gives youth guidance beyond the capability of most poor families.

The out-of-school program served more than 160,000 disadvantaged youth in fiscal 1968. This program, in addition to furnishing work experience in preparation for the competitive job market, encourages youth who dropped out of high school to resume their education on either a full-time or part-time basis. Project sponsors also refer youth for whom further education may be difficult to vocational training programs or, alternatively, assist them in obtaining regular jobs. Besides paid work up to 40 hours per week, out-of-school pro-

[1] It should be noted that this figure and others on "individuals served" represent the total number enrolled in the given program during the fiscal year, including both first-time enrollments and individuals already in the program at the beginning of the year.

grams provide supportive services, including remedial education, counseling, and medical assistance. Compensation for time spent receiving supportive services, within the 40-hour workweek, is a new and important feature of the program. It is designed to overcome resistance to participation in supportive activities on the trainees' own time.

The out-of-school program has a relatively small Work Training in Industry segment, in which 66 private firms participate. The 600 enrollees in this program are paid by the employer, who is reimbursed by the NYC for part of the associated training costs. As in other NYC out-of-school job arrangements, the enrollees' workweek may be adjusted to include time for supportive services. The counseling and remedial education provided by NYC builds a foundation for future work, training, or educational experiences.

The summer NYC program, like the in-school program, bolsters youngsters' financial resources, to the end that they will continue their schooling when school resumes in the fall. During the summer of 1968, 364,000 [2] boys and girls across the country performed many different tasks. They worked in beautification projects; improvement and maintenance of school buildings, parks, and recreation facilities; and with young children in Head Start projects and in Operation CHAMP, a summer recreation program for children and teenagers sponsored by the NYC, the President's Council on Physical Fitness and Sports, and the Office of Economic Opportunity.

Several program changes have facilitated recruitment and swelled the numbers of NYC enrollees. One change made by the 1966 amendments was the extension of eligibility to all students in the ninth through the 12th grades and those of equivalent age, including 14- and 15-year-olds. Transportation to and from worksites was authorized also—a matter of particular importance in rural areas.

Another important development has been the opening of opportunities for youth leaving the Corps to move directly into further training. This is made possible by cooperative arrangements developed during 1968 with the MDTA and other programs.

[2] This figure on summer enrollments is not additive to those cited above on the in-school and out-of-school programs. It covers 2 months of fiscal 1969 as well as 1 month of 1968. Furthermore, it includes 73,000 youth also enrolled in the in-school program.

It is highly important that NYC succeed in helping these youth from the ranks of school dropouts and poor families, many of whom would otherwise be all too likely to continue the cycle of poverty. More than a fourth of all enrollees are themselves on welfare rolls or from families receiving public assistance.

A recent indepth study of 2,000 youth formerly enrolled in the NYC out-of-school program produced the disturbing finding that, on average, this group did not have a significantly better employment situation than a control group of non-NYC enrollees, nor did they return to school in larger proportions. Nevertheless, the overwhelming majority expressed satisfaction with their work experience while in the NYC. The findings suggested that the program should be bolstered with closer links between training and real jobs, more effective techniques for motivating return to school, and possibly more emphasis on remedial education. And some fundamental restructuring of the program along these lines is in process.

Furthermore, it is necessary to look beyond the statistical averages, which often conceal highly important accomplishments. Many individual projects have a high success rate in terms of enrollees returning to school, entering vocational training, or going to work in steady jobs. Instances are known where college potential has been identified and the NYC counseling staff has steered a few enrollees into college preparatory courses.

Moreover, many cities, large and small, have credited NYC with decreases in juvenile crime rates. In San Antonio the rate dropped 12.6 percent in the low-income area where NYC was operating, while climbing 5.5 percent in the higher income sections. A juvenile court judge in Dayton credited NYC with a 30-percent drop in juvenile crimes in 1967. A Los Angeles newspaper reported that only 1 percent of 2,000 enrollees had been convicted of crime since joining the project, although a full 50 percent had criminal records.

JOB CORPS

Many of the country's most underprivileged youth must be removed from their home environment and be given training and other help in new surroundings to make the transition to a productive life. This is the mission of the Job Corps—the only major residential program serving youth who have

dropped out of school, who have the fewest educational and vocational skills, and who require the most intensive remediation. The techniques, curriculums, and research findings developed by the Job Corps are significant also for their contribution to knowledge of the institutional changes and new approaches needed in working with the disadvantaged.

Program Characteristics and Problems

The Job Corps depends on the cooperation of government agencies at all levels, of private enterprise, labor unions, universities, and social agencies. Late in 1968, the Corps was serving 33,000 youth in 109 centers, including 82 Civilian Conservation Centers in 35 States, six men's centers in six States, 18 women's centers in 17 States, and three demonstration centers in three States. Altogether, from the beginning of the program in early 1965 until mid-1968, nearly 200,000 disadvantaged youth were enrolled.

Direct operating costs have been reduced: Enrollee man-year costs were $8,470 in fiscal 1966 and $6,725 in fiscal 1968—excluding centers closed. The more current figure is below the statutory limitation of $6,900. Estimated cost for fiscal 1969 is $6,300.

Corps members are, on the average, 17.5 years of age, have completed 9 years of school, and read and compute at the fifth-grade level. Sixty-three percent of those eligible cannot qualify for the Armed Forces for educational or physical reasons.

Young men whose initial test scores showed them to be least equipped for advanced vocational training have, in the past, been assigned to Civilian Conservation Centers, which provided prevocational training and remedial education. Enrollees in these centers have built and maintained many miles of fire breaks and roads, and thousands of picnic tables, fireplaces, and parking spaces; developed and improved fishing streams and thousands of acres of fish and wildlife habitat; fought fires and planted trees and shrubs; and improved and reforested acres of timber stands. The appraised value of work projects performed by Job Corps Civilian Conservation Centers was $200,000 at the end of fiscal 1965; over $56 million at the end of fiscal 1968.

As their educational achievements and work habits improved, some enrollees have been transferred from Civilian Conservation Centers to men's centers near urban communities. These urban centers provide education up to high school equivalency, and skill training in 11 basic vocational clusters, each cluster containing programs with transferable skills so as to give enrollees as much job mobility as possible.[3]

Despite gains in education and skill, Corps members have experienced transition problems in returning to the job market. To counter this, a majority of the enrollees have been assigned to centers in their home regions. A support program of GATE (Graduate Aid to Employment) Houses for youth leaving the Corps was started in fiscal 1968. This program provides Job Corps professional services in cities with particularly large numbers of former enrollees or especially inadequate facilities for helping these youth. Women beginning their on-the-job training are transferred to the YWCA program for continued education, guidance, housing, and other support.

The name Job Corps suggests that training for jobs is the prime mission of the program. In fact, bringing these youth to a condition of employability involves not only vocational training but instilling a complex of attitudes and motivations that accord with employer expectations. From time to time pressures have been brought to accomplish the transformations quickly and economically, endangering the success of the mission.

At the outset, the Job Corps had to decide on methodology, with insufficient data on the processes of learning and with inadequate curriculum materials suited to the disadvantaged. Another problem to be faced has been lack of interest or sometimes even hostility in communities surrounding the Centers. This has had an impact upon Corps members' avocational activities, upon on-the-job training opportunities, and indirectly upon their length of stay at certain Centers. The Job Corps has substantially reduced these pressures through a national network of advisory community councils set up through its community relations efforts.

Program Evaluation

About 7 out of every 10 former Corps members are constructively occupied—in jobs (79 percent),

[3] Since November 1968, the distinction between types of men's centers has been narrowed, with initial assignments no longer made strictly according to test scores. There has never been this dichotomy among centers for women, who are assigned regionally according to preference and vocational interest.

in school (10 percent), or in the Armed Forces (11 percent)—according to a June 1968 followup study of a sample of the 161,000 youth who had left the Corps 6, 12, and 18 months before. The 3 out of 10 who were not accounted for in these ways included many who had spent less than 6 months in the program, as well as some girls who had withdrawn from the work force for marriage and other reasons. Overall, unemployment was still high, but the proportion usefully and gainfully occupied represented a great increase over the 44 percent who had had jobs, either full or part time, before they entered the program.

Among the former Corps members who were still unemployed, about 1 out of 4 said the chief problem was lack of transportation to work; another 1 in 4 said racial attitudes barred them from jobs; most of the others attributed their failure to obtain work to employers' insistence on high school diplomas. The Job Corps is attempting to minimize employer demands for high school diplomas by working through the National Alliance of Businessmen and its job-finding program for the hard-core unemployed. At the same time, Job Corps efforts at general education development have been intensified; to date, 7,000 Corps members have passed the high school equivalency examination. Cooperative arrangements have also been worked out with the Department of Labor by which youth dropping out of the Job Corps are referred to the Neighborhood Youth Corps or MDTA training projects.

To assist Job Corps enrollees interested in employment in the Federal government, representatives of the U.S. Civil Service Commission and other Federal agencies visit Job Corps Centers to provide counseling and guidance information, including information on recent policy changes with respect to disclosure of arrest records. A system has been devised which will permit each enrollee to receive consideration for Federal employment in his home city or any other location of his choice. Through December 1968, the Departments of Interior and Agriculture alone have hired about 300 Corps members.

Average earnings are substantially higher after than before Job Corps enrollment, according to the same followup survey. Those enrollees who worked before entering the Corps (only 44 percent) had an average hourly wage of $1.27. In contrast, Corps members who completed the program averaged $1.80 per hour 1 year after they left, and $1.92 per hour 18 months afterward. Even those who dropped out in less than 3 months from the time of enrollment averaged $1.54 per hour 1 year after they left.

Some benefit-cost analysis of the program has also been made for the Job Corps, indicating that benefits significantly exceed cost. Studies show ratios ranging from 2 to 1 to 5 to 1, depending on assumptions.[4]

Many benefits cannot be stated in dollar terms, but their impact on the youth themselves and on society at large is patently substantial. For example, a substantial benefit has accrued from the reading and mathematics materials developed by the Job Corps. These were employed in 21 schools throughout the country in a pilot project conducted in cooperation with the National Education Association. On the average, participants gained a year in reading after only 42 hours of instruction, and a year in mathematics after 33 hours.

These and other materials designed for the Corps are now being used in 2,000 school systems throughout the country. The Air Force has also tried Job Corps materials with good results in Project 100,000 for disadvantaged servicemen. After 2 months, gains in reading levels averaged 1.7 grade levels for servicemen who were not high school graduates and two grade levels for those with high school diplomas.

The Job Corps is also sharing its innovations and techniques through conferences, workshops, and onsite training, which have reached about 10,000 school administrators, teachers, counselors, physicians, nurses, social workers, and journeymen—people in positions to influence institutions dealing with far larger numbers of disadvantaged youth than can be reached directly by the Job Corps. The American Association of Colleges for Teacher Education gives accreditation for Job Corps experience to student teachers.

Research and evaluation findings—with respect, for example, to enrollees' increasing and maturing attitudes, and the effects of different mixes of enrollees and program locations, as well as innovations in curriculum and instructional techniques—have been widely publicized. Other sub-

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[4] In one study, *Job Corps Assessment and Research Report No. 11*, October 15, 1968, economic cost (basic or training cost minus appraised value of work projects and transfer payments plus foregone earnings) is estimated at $3,991, economic or social cost at $3,613, and lifetime gain (net 3-percent compound discount figured at 47 years) at $18,075.

sidiary benefits are as wide-ranging as the health services extended to the enrollees themselves and the hundreds of thousands of man-hours contributed by Corps members in emergency services such as search and rescue operations, firefighting, and cleanup after floods and tornadoes. Corps members have also worked in community projects for the handicapped, retarded, and elderly.

The goals of the Job Corps and strategies for fulfilling them are detailed in a Job Corps Program Memorandum of September 1968. Briefly, they involve:

—Expansion of recruitment, training, and placement efforts through a new enrollee allowance; further development of special programs for those hardest to recruit and retain; greater involvement of unions, colleges, and technical schools in training and placement; enlarged support services for terminees and further encouragement to contractors to hire or to develop jobs for a fixed percentage of the total output.

—Substantially increased efforts to influence teacher-training institutions, and to publish and disseminate more documents which teachers and other persons can use to improve the education of poor persons.

—Increasing the number of Inner-City Skill Centers from the present pilot one to five in fiscal 1969. These centers will allow Corps members to be trained in an urban environment but away from home.

—Experimentation with and evaluation of Job Corps educational, vocational, and placement methods; development of measurement tools and curriculums; basic research directed at extending the state of the art in education.

The future direction of the Job Corps will be influenced also by a study called for by the Congress in the Vocational Amendments of 1968. The amendments provide that:

> . . . The Commissioner of Education is authorized and directed to make a special study of the means by which the existing Job Corps facilities and programs . . . most effectively might, if determined to be feasible, be transferred to State or joint Federal-State operation in conjunction with the program of Residential Vocational Education authorized by . . . the Vocational Education Act of 1963.

A report on the study is to be submitted to the Congress by March 1969.

NEW CAREERS FOR THE DISADVANTAGED

The New Careers Program aims to serve two objectives simultaneously—to relieve shortages of professional personnel in human service activities and, in so doing, to meet the need of the unemployed and underemployed for meaningful jobs with career-ladder possibilities. The program prepares disadvantaged adults for paraprofessional jobs in public and private nonprofit agencies in such critically undermanned fields as health, education, welfare, neighborhood redevelopment, and public safety. To a greater degree than other programs discussed here, this one includes classroom training, either before or along with on-the-job training. The agencies providing the training guarantee jobs for enrollees upon its completion.

During the closing months of fiscal 1967, 36 projects were funded, providing nearly 4,400 New Careers opportunities. Fiscal year 1968 saw the addition of 20 new projects with 2,700 places for enrollees. Altogether, about 5,000 persons were served by New Careers projects at some time during 1968, not counting those in the projects which are important elements in the Concentrated Employment Programs.[5]

To put the New Careers concept into general practice on a significant scale, however, will require substantially increased willingness on the part of employing institutions and professional workers in the human service fields to restructure jobs and career hierarchies. Further, since colleges and universities make desirable training sites, and the program design envisions academic credit for training and job experience, a certain aloofness on the part of the academic community must be overcome. The short history of the program is marked by progress in these areas.

This progress is attested to by the sizable number of projects now operating, including a number on college campuses. In addition, in the past year several meetings have brought together people vitally interested in the future of this innovative undertaking. Project sponsors' conferences were held in New York City and Denver, Colo.; the founding convention of the National Council on New Careers met at Wayne State University in Detroit; and a 4-day Institute on New Careers was sponsored by the Departments of Labor and

[5] See the chapter on Implementing and Coordinating Manpower Programs.

of Health, Education, and Welfare. At this institute New Careers staff met with leaders in the fields of health, education, social services, housing, law enforcement, and corrections to discuss problems, assess future program efforts, and develop models of career ladders. Finally, in the fall of 1968, the Institute for Local Self-Government sponsored a New Careers conclave for policy officials and chief administrators of cities in Western States. The theme was improving competence and strategies for implementing New Careers concepts through creative personnel practices in municipalities where the conference participants had personnel responsibilities. A followup report is expected.

The New Careers Program is still in its infancy. The year 1968 witnessed progress in conceptualization, revisions in initial guidelines, and a significant administrative change, in that contracts with project sponsors now make specific provision for a much needed preoperational planning period. Moreover, review procedures for contract proposals were greatly improved. The first national contract was signed with the Planned Parenthood Federation of America, Inc. Under it, family planning aides will be trained in family planning clinics and other health agencies in four regions.

On the other hand, a number of weaknesses in the program are recognized. Problems in the area of staff orientation and program and curriculum design indicate a need for further increases in technical assistance and communication from the national office. Moreover, the fact that employing agencies have not always met fully their training, hiring, and career-development responsibilities points to the need for strengthening of the commitment requirements in the program guidelines. Enrollee losses could be reduced by provision of more and better supportive services. Finally, excessively rigid State and local civil service or merit system requirements have been shown to be a major problem, requiring much persistence and tact if jobs in the public sector are to be developed in most areas. But it is evident that some New Careers projects have conspicuously overcome these problems, to the benefit of their enrollees.

Not enough time has elapsed since the inception of the program to state categorically that the New Careers concept is a completely viable one—that entry-level jobs leading to legitimate and realistic career ladders can be developed for disadvantaged people in sufficient quantity to have a significant impact. Now that New Careers graduates are appearing in some numbers, a followup study is planned to determine the best approaches to recruitment and selection and what combinations of remedial training, education, and on-the-job training produce the best results.

A good indication of the potentialities of the New Careers approach is to be found in the experience of the Federal Civil Service, where the development of subprofessional aide and technician occupations, both to conserve scarce professional manpower and to afford increased opportunities to lower skilled workers, has been an active policy for many years. Recent reports show Federal employment in aide and technician occupations in the sciences, engineering, medicine, and education well in excess of 100,000 workers, or almost 10 percent of the total Federal white-collar work force.

In recent years, the development of such occupations in the human service field has been intensified under the Civil Service MUST (Maximum Utilization of Skills and Training) Program. The most recent jobs developed include social work aide, social services aide, manpower aide, recreation aide, group guidance aide, teacher aide, and health aide.

Opportunities for subprofessional employment and careers should be increased also in some programs administered by the Social and Rehabilitation Service of the Department of Health, Education, and Welfare, as a result of recent amendments to the Social Security and Vocational Rehabilitation Acts. It is still too early, however, to determine the nature and extent of the opportunities that will be available.

OPERATION MAINSTREAM

Chronically unemployed adults, unable to find jobs because of age or lack of skill, are eligible for the work-experience program known as Operation Mainstream.[6] Much as the Neighborhood Youth Corps provides work experience for low-income youth, this program affords job opportunities for adults, designed to prepare them for competitive employment. Skill training, basic education, counseling, and other needed supportive services may supplement the work experience.

[6] The program was so identified after administrative responsibility for it was delegated to the Department of Labor by the Office of Economic Opportunity in 1967.

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The trainees, many of whom are 55 years of age and older, are employed in community beautification and improvement activities run by public and private nonprofit agencies. They are concentrated to a degree in small communities and rural areas, where resources for activities of these kinds are slight and job opportunities are scarce. Because of the nature of the work, projects have been somewhat seasonal, curtailed in winter months.

There were about 200 active projects in Operation Mainstream at the end of fiscal 1968. During that year and the preceding one, an estimated 24,000 disadvantaged adults were enrolled at a cost of $45.9 million.

Most of the enrollees are well along in middle age (median age 49.7 years) and have little schooling (median educational level only 7.6 grades). Many (30 percent) were on welfare rolls immediately before enrollment, and a large number had had long periods of unemployment (over a year without any work in 20 percent of the cases). Nearly half are members of minority groups (43 percent Mexican Americans or nonwhites).

Surveys and interviews have recorded great enthusiasm for the program among enrollees—meaningful employment is restoring self-respect. More than a third of the enrollees have found regular jobs as a result of the skills gained while working in the program.

The contribution to the communities served through such projects as Green Thumb, run by a nonprofit organization for rural workers affiliated with the National Farmers' Union, is demonstrated by the widespread acceptance they have received. Requests for Operation Mainstream projects outrun funding capabilities. There is clear indication that business and community leaders are altering hiring specifications and budget arrangements to provide jobs for Mainstream enrollees.

Recommendations for improving Operation Mainsteam include closer monitoring, additional technical assistance in structuring projects, development of wage policies and guidelines, and initiation of winter projects. It has been recommended that separate projects be set up for enrollees who may reasonably be expected to move into the competitive job market and for those who will probably require long-time support in subsidized work situations.

The future of Operation Mainstream hinges on broad policy decisions and on the overall availability of resources. The suggestion has been advanced that this program be disbanded as a separate entity and merged into a comprehensive delivery system for manpower services under the new Comprehensive Work and Training Programs authorized in the latest amendments to the Economic Opportunity Act. No matter what system of administration develops, it is essential to maintain the Operation Mainstream thrust of creating jobs for disadvantaged adults and thus enabling them to prepare for and move into productive employment.

SPECIAL IMPACT PROGRAM

The Special Impact Program focuses on the problems of specific neighborhoods with large numbers of poor people. Its intent is to generate new training, employment, entrepreneurship, and opportunities and improvements in living environment so large and conspicuous that they will have a real impact in arresting community problems and tensions. Essentially a program to promote economic, business, and community development, it attracts and stimulates needed training projects and other supporting services.

In 1967 a large part of the Special Impact funds was devoted to the Concentrated Employment Program, then getting underway. However, the 1967 amendments to the Economic Opportunity Act separated the two undertakings and gave the Concentrated Employment Program its own funding. The amendments also extended eligibility for Special Impact projects to rural areas with substantial out-migration. And they stressed participation by business in planning and carrying out projects and coordination with other programs for physical and human resources development in the areas served.

The Congress made clear that they did not intend Special Impact funds to be thinly spread out over many areas and projects. The $24.3 million obligated in the first fiscal year (1967) went to Community Action agencies to buy services needed in Concentrated Employment Programs in major inner-city ghettos, and for a complex of economic and community development and manpower activities in the Bedford-Stuyvesant area of Brooklyn, N.Y. The smaller sum of $20 million available in fiscal 1968 made possible the launching of

new programs in the Watts area of Los Angeles and the Hough area of Cleveland, two rural projects in eastern Kentucky and southeastern North Carolina, and the project known as Pride, Inc., in the Nation's capital, in addition to the continuation of activities in Bedford-Stuyvesant. Furthermore, $9.4 million of the fiscal 1968 Special Impact funds were allocated in support of the JOBS Program.

Special Impact offers inducement to private business to establish new facilities in or near problem neighborhoods and to hire and train the hard-core unemployed. Expenses involved in counseling, basic and remedial education, testing, minor medical services, and transportation of these workers, together with the wages paid during their classroom training, are covered by the contract agreement. Contracts may extend for as long as 30 months.

A second focus of the program is upon the economic development and local entrepreneurship objectives of the authorizing legislation. The typical project involves a grant to a community corporation, such as the Hough Area Development Corporation in Cleveland, formed by residents of the Special Impact area. The corporation is a source of financing and technical assistance for businesses owned and operated by area residents and may itself become the developer of projects such as shopping centers, low-cost housing, and light manufacturing businesses.

Impressive short-term results cannot be expected from a program of this nature and magnitude. Only in Bedford-Stuyvesant, the largest ghetto in the country, have activities been underway long enough to permit any meaningful evaluation. Here, positive results have been obtained (as set forth below), and the program counts among its achievements attracting additional public and private investment to the area. Nevertheless, with 1968 Special Impact funding providing employment to only about 1,300 workers in Bedford-Stuyvesant who were formerly among the hard-core unemployed, it will be difficult to demonstrate an appreciable impact for some time to come.[7]

A survey of the Bedford-Stuyvesant program shows that after 14 months the joint sponsors have created a viable administrative structure staffed with highly qualified individuals. Some significant accomplishments are:

—46 proposals for new or expanded business enterprises have been made, of which 14, creating nearly 600 jobs, have so far been approved.

—A Community Home Improvement Program completed exterior renovation of 11 blocks, has started renovation in 12 more blocks, and sparked formation of about 100 new block associations, besides giving work experience and subsequent employment to several hundred unskilled workers. A further outgrowth was development of an indigenous home improvement company.

—A Community Facility Development Program led to the formation of the Sheffield Management Corporation which is rehabilitating a plant and plans to renovate 15 houses. Here again, the program provides valuable training experience for unskilled workers, 14 of whom have been accepted for apprenticeship training by building trades unions.

—The Community Rehabilitation Planning Program trained 80 residents to work as surveyors in a community diagnostic survey, and subsequently trained 32 of these to become neighborhood workers. Nineteen of the latter are employed in two neighborhood centers which have carried out a mammoth clean-up drive and have organized a summer camp for 100 children.

—The Comprehensive Manpower Development Program, consisting largely of the manpower training aspects of the four projects just listed plus a separate training program operated by the Opportunities Industrialization Center, had provided training to 1,124 individuals by August 1968.

PROGRAMS FOR WELFARE RECIPIENTS

An effort to increase the employability and employment of needy adults began with the 1962 amendments to the Social Security Act. These amendments introduced the concept of rehabilitation, rather than simply financial support, by establishing a Community Work and Training

[7] Additional employment resulting directly from fiscal 1968 Special Impact funds approximated 1,500 in Watts and 1,300 in the District of Columbia.

Program for persons 18 years of age or older receiving assistance from the Aid to Families with Dependent Children Program. The objective was to instill better work habits in enrollees, to enable them to get and hold a job.

Under title V of the Economic Opportunity Act of 1964, this concept was expanded and the program was made a part of the war on poverty. This Work-Experience Program (as it was then called) served not only those on welfare but also other needy persons—largely those who would have been eligible for public assistance except for certain technical problems. The focus continued to be on unemployed adults, primarily the parents of dependent children.

The Work-Experience and Training Program, as it was renamed in 1966, had an enrollment of about 85,000 during that fiscal year. Subsequently, enrollments dropped somewhat, because of reductions in funding. At the maximum, the program reached only a very small proportion of all persons on welfare rolls.

A much more comprehensive manpower program designed to really break the cycle of poverty for public assistance recipients was made mandatory by 1967 legislation (title IV, Social Security Act, as amended). This new Work Incentive Program (WIN) sets as a national goal the restoration to economic independence of all employable persons 16 years of age and over in families receiving Aid to Families with Dependent Children (AFDC).

All States are required to enter the WIN Program by July 1, 1969. Most have already done so; only those 15 States with a legal barrier to overcome in order to participate in WIN were still operating title V projects beyond the end of 1968.

The WIN Program is administered jointly by the Department of Labor and the Department of Health, Education, and Welfare through State agencies. Both Departments will rely on the experience and insights gained in the earlier programs. Resources will be brought to bear as needed on individual problems—of literacy, health, child care, motivation, or whatever nature—in this all-out effort to direct manpower and social welfare services to a common goal.

Several features of the new program augur well for its success. Program operators can not only draw upon the considerable earlier experience with rehabilitating the severely disadvantaged but are now able to assure followthrough. Under WIN, the enrollee is not cut loose upon obtaining his first job but retains his welfare status until his ability to maintain himself in the regular job market is established. Furthermore, although WIN began with a limited appropriation, the authorizing legislation is open-ended with respect to referrals of clients. Congressional intent appears to be to provide the resources—including resources for child day care as needed—to extend the opportunity to all eligibles on AFDC rolls (currently estimated at 1.4 million).

Referrals by welfare agencies to WIN manpower services proceed under three priorities. Priority I is for persons who can be identified as job ready when their case is first reviewed. Intensive efforts are made to find them suitable jobs or on-the-job training opportunities and to provide them with supportive services to insure their staying on the job. The fact that they may retain a considerable part of their earnings (the first $30 of earnings per month, plus 30 percent of all additional earnings) without subtraction from their welfare benefits furnishes an incentive to work.

Priority II goes to those who are not job ready but can be made so through work orientation, basic education, skill training, and work experience. After this, intensive efforts are made to persuade employers to take on these individuals, and services are provided to insure their retention on the job. During the training period, $30 per month is added to welfare benefits as a training incentive.

The priority III group are those judged not ready even for the kinds of services provided for the priority II group. For these people, special work projects are arranged by agreement with public or private nonprofit agencies. Their potential for training and regular employment is to be reassessed at 3-month intervals, and at each reassessment they may move into priority II or even I. These enrollees are guaranteed that their total income while in the project will equal public assistance grants plus 20 percent of their wages.

With the $10 million provided for WIN in fiscal 1968, it was possible to fund 8,200 enrollments in 11 States. The $118 million appropriated for fiscal 1969 will fund about 100,000 enrollments and provide needed child day-care services for a limited number of enrollees. Thirty-nine jurisdictions (States, territories, and the District of Columbia) and about 500 counties are scheduled to participate

before the end of the year, while the remaining 15 jurisdictions will come into the program at the beginning of fiscal 1970.

The Federal Government will contribute to the WIN Program, as to its predecessor programs, not only through financing and administrative leadership but also as the Nation's largest employer. Operating under guidelines issued by the U.S. Civil Service Commission, Federal agencies are to employ persons completing Work Incentive training and serve as hosts to program enrollees who need work experience to develop skills for employment.

During the period November 1965 through September 1968, Federal agencies provided more than 2½ million hours of work experience and training to enrollees under the Work-Experience and Training and Work Incentive programs.

Programs for Special Groups

AMERICAN INDIANS

Indians living on reservations are among the most disadvantaged minority groups in the country. They represent a substantial majority of all American Indians—about 440,000 out of the estimated total of over 600,000 (including all the native peoples of Alaska).

Many reservation Indians suffer from serious handicaps of poor health, deficient education, unfamiliarity with English, lack of marketable skills, high unemployment, and low income. According to estimates by the Bureau of Indian Affairs, three-fourths of all reservation families (average size, between five and six members) had a 1964 cash income below $3,000.

Unemployment rates on different reservations ranged from 12 percent to 74 percent in 1967, with an overall average of 38 percent.[8] A few years back, however, the level of unemployment was even higher—41 percent in 1966 and 49 percent in 1962. This improvement appears to have resulted from recent emphasis on Indian employment opportunities near the reservations and development of reservation-based industries, both greatly strengthened by long-sustained national prosperity. In addition, Indians who are willing to break away from their tribal way of life to seek jobs off the reservation have been helped to do so by programs of occupational training, job placement, and relocation assistance, which have been expanded steadily in recent years.

Education and Training

Young Indians have been attending school in significantly larger numbers in the last several years. A majority of the children now attend regular public schools, rather than special Indian schools. Moreover, the education available is showing qualitative improvement, as teaching is improved and extracurricular activities are expanded with financial aid under the Elementary and Secondary Education Act of 1965.

The number of Indians attending college also has shown some growth. In 1968, over 4,400 Indians were enrolled in universities and colleges, compared with less than 2,000 a decade ago.

Special programs were begun by the Bureau of Indian Affairs in 1958 to provide Indians, chiefly between the ages of 18 and 35, with vocational, apprenticeship, and on-the-job training. In 1962 these became the BIA Employment Assistance Program which, by the end of fiscal 1968, had assisted 31,500 persons in finding employment and enrolled nearly 30,000 more in training.

To supplement the BIA programs, the Department of Labor has mounted a diversified effort on behalf of Indian employability. And in recent years, multiagency cooperation in assistance to Indians has been increasingly achieved. Training and work-training projects are functioning on the reservations under the MDTA, the Neighborhood Youth Corps, Operation Mainstream, the Work

[8] The usual definition of unemployment is not a satisfactory measure of joblessness on the reservations, because so few job opportunities are available there. Accordingly, the Bureau of Indian Affairs reports as unemployed all members of the reservation labor force who are not at work. The labor force is defined as all Indians of employable age neither in school nor prevented from working by retirement, ill health, or child-care obligations.

Incentive Program, and various special Community Action programs.

Economic and Employment Development

The program to promote the location of manufacturing plants on the reservations conducted by the Bureau of Indian Affairs has grown significantly, though it is still very small relative to the number of Indians in need of jobs. At the end of fiscal 1968, the number of plants established there had reached 137, employing over 4,100 Indians (compared with only nine plants with 200 workers in 1960). When these plants are operating at full capacity, they will employ a total of 6,600 Indian workers. This development is accompanied by on-the-job training.

Economic and employment growth on the reservations is also being aided by the Economic Development Administration. In early 1967, EDA combined its resources with those of the Office of Economic Opportunity in a joint effort to help some reservations achieve self-sustained economic growth and community development. The program covers 51 reservations, with 65 percent of all reservation Indians. Its object is (1) to give priority in economic assistance to those reservations which have demonstrated the greatest potential for improving their economic situation, and (2) to assist other reservations in planning for economic development. All economic assistance is based on a comprehensive development strategy contained in action plans for each reservation, specifying the tribe's priorities with respect to goals and projects to be implemented. By the end of fiscal 1968, EDA had funded 12 projects and awarded planning grants for nine more.

A rural Concentrated Employment Program has been established on the Navajo reservation in northeastern Arizona. This will also encompass portions of Utah, New Mexico, and Colorado, and will benefit Indians on nearby reservations. Other efforts of this kind have been started for north central New Mexico, south central Arizona, northwest Montana, southern South Dakota, and western Oklahoma. Existing CEP's in northern Wisconsin and in northern Michigan are expected to serve a number of Indians, although these projects are not located on reservations.

Employment Services and Interagency Cooperation

An effort is underway also to strengthen services to Indians by the public Employment Service, to coordinate these services with those of the Bureau of Indian Affairs, and to achieve increasing involvement of Indian leadership. In a survey of 25 State Employment Service offices serving reservation Indians in October 1966, all officers reported some activity in counseling, testing, and placement of Indian students and some special recruitment for agricultural and construction work. Subsequently, Employment Service agencies in States with sizable Indian populations were asked to develop plans for expansion of services to Indians as part of their Human Resources Development activities. Since 1966, increasing numbers of Indians have been employed in staff jobs in the Employment Service itself, to serve Indians on and off the reservations. And the Employment Service has developed cooperative working relationships with the Bureau of Indian Affairs.

Training in providing services to Indians has been conducted for Employment Service staff at several universities. Training objectives include enlarged understanding of the personal and social values of Indians, up-to-date information on services available to Indians through public and private agencies, and sensitivity to the employment needs of Indians.

The economic and manpower needs of Indians were discussed in a series of regional meetings conducted by the Employment Service during 1965 and 1966 and at a National Conference on Manpower Programs for Indians in Kansas City, Mo., in February 1967. The latter meeting brought together over 200 Indian tribal leaders and representatives of Federal and State government agencies.

Two important recommendations emerging from this conference concerned participation of Indian leaders in program planning at all levels and designation of a national coordinating unit. Accordingly, an Ad Hoc Advisory Committee on Indian Manpower Programs, with Indians comprising one-third of the membership, was formed to advise the Employment Service, and employment of Indians in staff positions is being further increased. Tribal councils are also being involved in manpower programs to a limited extent through the State Cooperative Area Manpower Planning

System committees.[9] In addition, they are acting as sponsors for 10 MDTA projects in fiscal 1969.

In furtherance of national coordination, an Executive order has created the National Council on Indian Opportunity under the Office of the Vice President. In addition, two national economic development conferences have also been held, with sponsorship by the National Congress of American Indians and organizational support from the Office of Economic Opportunity and the Economic Development Administration. An industrial development meeting in Washington, sponsored by the Bureau of Indian Affairs, has also brought together industrial development experts and representatives of the Federal agencies concerned with Indian problems.

Multiple approaches such as these are called for by the complex, many-faceted, and critical nature of the Indian's economic and social problems. It is apparent that a massive effort is needed if these problems are to be overcome. It is apparent also that promising new approaches to them have been made. The full record of success or failure of these approaches and of the new programs is yet to be written, however. It will depend in large measure on the magnitude of the resources made available for program implementation.

SPANISH-SPEAKING MINORITIES

Language barriers and limited education are major job market handicaps of the Mexican Americans, Puerto Ricans, and many other people with Spanish surnames residing in the United States. Low levels of skill, high unemployment, and pervasive poverty are the lot of most members of this minority group.

Programs for the Spanish Speaking

A manpower policy directed toward meeting individual needs must be concerned with serving these disadvantaged Spanish-speaking people. In the past, the regular Employment Service operations and MDTA training projects have had limited success in reaching the Mexican Americans, concentrated in the Southwest, or the Puerto Ricans, largely in New York City. The Neighborhood Youth Corps has been somewhat more successful in serving this population. For example, Mexican American youth represented 38 percent of all enrollees in summer work programs in the Southwest in 1967, as contrasted with 25 percent in earlier summers. However, the lack of postenrollment followup, coupled with the serious deficiencies of these Spanish-speaking youth, probably means that very few move from NYC into skill training or jobs with opportunity for advancement.

In an effort to give more effective aid to Spanish-speaking workers, the public Employment Service has mounted a number of special projects and services, especially since its Human Resources Development program was initiated.[10] The Employment Service also administers the Farm Labor Contractor Registration Act, which requires minimum acceptable living and working conditions for interstate workers, over half of them Spanish Americans.

Local Employment Service offices in areas where many of these people live provide bilingual services. A 1967 survey showed more than 800 Spanish-speaking interviewers and counselors in 280 local offices and Youth Opportunity Centers in 15 States. In Arizona, much of the State Employment Service material prepared for the public is translated into Spanish. A Spanish version of the General Aptitude Test Battery has for many years been used with Puerto Ricans, and similar versions are being developed for use with Mexican Americans in the Southwest.

A 1968 labor mobility demonstration project in Texas offers relocation assistance to Mexican American migrants. Persons relocated to areas offering more job opportunities receive basic language and skill training, and a large proportion are going into MDTA on-the-job training as aircraft assemblers.

Concentrated Employment Programs operating in San Antonio, San Francisco, Oakland, Los Angeles, Phoenix, Albuquerque, Denver, and Waco serve a significant number of Mexican Americans. Over 40 percent of the Mexican American population reside in these eight areas.

Operation SER (Service, Employment, Redevelopment) was organized in 1966 by several Mexican American organizations and funded by

[9] See the chapter on Implementing and Coordinating Manpower Programs for a discussion of CAMPS.

[10] See the chapter on Implementing and Coordinating Manpower Programs for a discussion of this program.

the Department of Labor and the Office of Economic Opportunity to establish information centers and prepare a skill bank of Spanish-speaking people. SER is now conducting manpower programs in 11 southwestern cities, in which more than 3,000 unemployed persons, mostly Mexican Americans, will receive job preparation and placement services.

Efforts to help citizens with a language barrier obtain Federal employment are also being made by the U.S. Civil Service Commission—through the appointment of bilingual information and examining personnel. As of late 1968, about 69,000 Americans with Spanish surnames were employed by agencies of the Federal Government.

United States-Mexico Border Commisson

A promising outlook for the people living near the United States-Mexico border stems from the activities of the United States-Mexico Commission for Border Development and Friendship. In April 1966, the Presidents of the two countries expressed their determination to "improve the relations between the frontier cities and to elevate the life of those who live in the border region" by creating a commission to study cooperative ways of arriving at these objectives. The U.S. section is composed of commissioners representing the Departments of Health, Education, and Welfare; Labor; Housing and Urban Development; Transportation; and Agriculture; the Office of Economic Opportunity; and the Interagency Committee on Mexican-American Affairs.

Working groups concerned with manpower and labor problems and with education explored together, during 1968, the feasibility of establishing a joint manpower development center at a location on the border. This center would train young people from the United States and Mexico for needed public service jobs in their own countries. Training would be bilingual. The center would provide remedial education and social services as needed and would place the participants in jobs at the completion of their training. Both countries are currently working to establish pilot programs, looking toward such a center. The pilot programs are to be conducted in existing facilities in Juarez, Mexico and El Paso, Tex. In each city, nationals from both countries will receive training. These programs should provide valuable operating and administrative experience in binational training.

RURAL AMERICANS

Despite the recent emphasis on acute urban problems, manpower policy and programs are concerned as well with the less dramatic, but nonetheless grave and pervasive, problems of rural areas where 37 percent of the Nation's poor reside. The problems of city slums and rural areas are, of course, interrelated. For many years, rapid technological progress in farming, coupled with seasonality of employment and low wages in the rural economy, has induced massive rural-to-urban migration—so much so that already 70 percent of the population reside on only 1 percent of the land. As is well known, many displaced or dissatisfied rural workers are ill-prepared to compete and thrive in the complex urban evironment. Thus, manpower programs to assist rural populations have a double objective—to relieve local poverty and to stem the migration that aggravates problems in the cities.

Many characteristics of rural areas compound the difficulties in constructing effective manpower programs. Residents are scattered among towns, villages, Indian reservations, and farms, often in declining areas less and less able to meet the costs of government and social services. Levels of income and educational attainment are lower than in urban areas, and job opportunities are less numerous and varied. Schools lack the facilities and diversified course offering of the larger, better equipped urban schools. Trained personnel to staff manpower and antipoverty activities are in short supply. The population includes many members of minority groups—Negroes, Indians, and Spanish Americans—and racial friction is present in some areas.

Programs for Farmworkers

The primary focus of recent efforts to deal with rural manpower problems has been on farm people, who comprise about one-fifth of all rural residents. For many years these people have been denied, in whole or in part, the benefits of most social and welfare programs—minimum wage coverage, child labor laws, unemployment insurance, workmen's compensation, and the guaranteed right to collective bargaining. For hundreds of thousands of migrant farmworkers—chiefly Negroes from the Southeast and Mexican Americans from Texas—

employment has meant traveling thousands of miles to uncertain jobs and unhealthful living conditions. Job opportunities, already declining because of technological advances, were further curtailed until very recently by the availability of foreign workers. These were mostly Mexican nationals, permitted to work in U.S. agriculture under the terms of Public Law 78. This law, enacted in 1951, was designed to cope with manpower shortages during the Korean conflict. However, some farmers became dependent upon these foreign workers, who accepted low wages and substandard working conditions. Thus, the competition from alien labor deprived many U.S. farmworkers of the only jobs for which their limited education and skills qualified them.

Steps were taken in the early 1960's to improve the competitive position of domestic workers by requiring employers using foreign workers to pay not less than specified wage rates and by limiting the types of work and the length of time for which they might be employed. Public Law 78 was allowed to expire at the end of 1964. Since then, foreign workers have been permitted to enter the United States for temporary employment only under the provisions of the Immigration and Nationality Act and subject to Department of Labor regulations that require farmers seeking to employ foreign nationals to make offers of decent wages and working conditions and thus test the availability of domestic workers. The cumulative effect of these restrictions is evident in the declining numbers of foreign workers admitted for seasonal employment in U.S. agriculture—from 460,000 in 1955 to 200,000 in 1964 and fewer than 20,000 in 1968.

This transition from dependence on foreign workers in seasonal farmwork was aided by continued technological developments which reduced the demand for labor, especially in harvesting operations. Employers were also able to attract surplus or underemployed rural workers through improved wages and working conditions. The changeover was accomplished with only minimal and temporary interference with harvests. Through cooperative arrangements that maximize employment opportunities for American workers and at the same time meet growers' labor needs, the Department of Labor and farm employers have managed to prevent significant farm losses resulting from a shortage of workers.

Services to Migratory Workers

Several programs to improve the lot of migrant farmworkers have also been initiated. Legislation was enacted to provide both the worker and his family with better health services, housing, sanitation facilities, education, and child day care.[11] Most important, perhaps, was the extension of Federal child labor standards and minimum wage coverage to a large number of farmworkers, including migrants—with the minimum wage beginning at $1.00 an hour in 1967 and rising by steps to $1.30 an hour in February 1969. Although only about one-third of all hired farmworkers are covered, this represents a major step forward, reflected in the rise in hourly farm wages from an average of 97 cents in 1960 to $1.33 in 1967.[12]

Despite this progress and growing public awareness that farmworkers, particularly those who follow the crops, epitomize the hard-core disadvantaged, much remains to be done to bring this group fully within the American mainstream. To do this will require, among other things, coverage under unemployment insurance, full workmen's compensation protection, and extension of collective bargaining rights.

Manpower Programs in Rural Areas

Farmworkers account for only 1 in 5 of the approximately 20 million workers in rural America. The other four-fifths work in nonfarm jobs and share, to a considerable extent, the burden of rural poverty. In 1966, over 11 million rural Americans—3 out of every 8—were living in poverty, as compared with only 1 out of 8 residents of metropolitan areas. Rural residents earn lower wages, lose more time because of ill health, are more likely to be unemployed or underemployed, and are less likely to have completed high school than their urban counterparts. Under these circumstances, the pull of the city is apparent.

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[11] The Economic Opportunity Act of 1964, as amended, the Elementary and Secondary Education Act of 1965, the Housing and Urban Development Act of 1965, and the Vocational Rehabilitation Amendments of 1967 make special provisions for migrant farmworkers. In addition, the Migrant Health Act of 1962 was passed and has since been amended.

[12] The amendment to the Fair Labor Standards Act was based in part on a report entitled *Hired Farm Workers, A Study of the Feasibility of Extending the Minimum Wage Under the Fair Labor Standards Act* (Washington: U.S. Department of Labor, 1966). See also *Hired Farm Workers, A Study of the Effects of the $1 Minimum Wage Under the Fair Labor Standards Act* (Washington: U.S. Department of Labor, 1968).

Although recent manpower programs have been concentrated more in urban than in rural areas, they have had some impact outside the cities. The MDTA institutional training program is constrained to operate in areas where there are training facilities and where classes of at least minimum size can be assembled. Nevertheless, an estimated 20 percent (some 200,000) of all MDTA trainees from 1963 to 1968 were in rural areas. The Neighborhood Youth Corps has served over 550,000 rural youth, 35 percent of its total first-time enrollments, while the Job Corps has enrolled approximately 25 percent of its members from rural areas. Operation Mainstream—a small program that has served less than 25,000 persons since its inception in fiscal 1967—is primarily for rural adults.

Recognizing that substantial rural-urban migration is likely to continue in the years ahead, pilot mobility projects conducted under the MDTA have stressed directed rural to urban movement in order to make it more efficient.[13] In addition, the Smaller Communities Program of the Federal-State Employment Service offices reaches out to people beyond easy access to permanent offices in cities and towns. It uses mobile teams to provide interviewing, counseling, and testing services and refer applicants to jobs or training. However, the program had reached only 266 rural counties in 22 States by late 1968. Recognition of the need for central planning and coordination of programs for rural areas prompted creation of the Rural Manpower Service within the public Employment Service in 1968.

The Concentrated Employment Program is a means of bringing more substantial manpower services to the rural poor. Begun late in 1967 in two depressed rural areas and in 19 city ghettos, CEP's were operating in 13 rural and 63 urban areas late in 1968. The long-range goal has been a more nearly equal rural-urban balance in CEP's, but funding limitations and priorities have seriously delayed its achievement.

Beyond specific manpower programs, there are broader based programs for rural areas that will produce significant long-term benefits in human resources development. These include the Concerted Services Program, a cooperative effort by a number of voluntary and Federal and State government agencies to improve economic conditions in poor rural counties, and the activities of Community Action agencies through Head Start, day care, remedial and adult literacy classes, health care, and the like. They also include the special push to improve educational opportunities for the disadvantaged under the Elementary and Secondary Education Act; the more diversified program of rural education and the construction of area vocational training schools authorized by the Vocational Education Act of 1963 and its amendments; and the programs of the six Regional Development Commissions. Other programs are the public Employment Service cooperative school counseling program for rural youth entering the job market and a new program of pilot and demonstration projects to provide vocational rehabilitation services for disabled migratory agricultural workers and their families.

The report of the President's National Advisory Commission on Rural Poverty, issued in 1967, concluded that, "More manpower services are needed to assess the capabilities of rural workers, to determine their problems, and to help them to prepare for jobs that afford self-esteem, dignity, and earnings to lift them out of poverty. . . ."[14] To accomplish the desired end, program efforts must be massive and coordinated. Moreover, they will have to be sustained over a period of years to have any meaningful effect on rural poverty and underemployment.

OLDER WORKERS

The crux of the older worker problem is the difficulty workers past 50, or even 45, have in finding new jobs once they are unemployed. The unemployment rate for workers aged 45 and over has been averaging about 2 percent—a moderate rate but one that represented 725,000 unemployed individuals in 1967. And significantly, the average duration of unemployment is about 50 percent greater for these older workers than for younger ones (aged 25 through 44).

Any assessment of the full magnitude of the older worker problem should make additional allowance for retired people in the 55- through 64-year bracket. Studies show that many of them have retired involuntarily as an alternative to un-

[13] See the chapter on the Experimental and Demonstration Program for a discussion of these projects.

[14] *The People Left Behind* (Washington: President's National Advisory Commission on Rural Poverty, September 1967), p. 26.

employment or sporadic employment at low wages. Older workers on part-time schedules for lack of full-time opportunity are another large group, numbering about 700,000.

The unmet needs of older workers have received increasing attention in the past 5 years. The President issued a policy pronouncement against discrimination in employment in 1964, following a study and report to him by the President's Council on Aging. In addition, as directed by the Civil Rights Act of 1964, the Secretary of Labor made a further study of discriminatory hiring practices and other problems faced by older workers and submitted a comprehensive report on this subject to the Congress, with recommendations for remedial action.[15]

At the same time, efforts were made to strengthen the special services to older workers already being provided through the public Employment Service system. With added funds available between 1965 and 1967, an additional 530 staff positions were allocated to State agencies for work with this age group and for staffing older worker intensive service units set up in 24 cities.

These special efforts have met with some success. The Employment Service has recorded more than a million placements of older workers in nonfarm jobs each year since 1960. The peak year was 1966, with more than 1.3 million such placements. Overall, placements of older workers have amounted to about 20 percent of all placements, while their job applications make up only 15 percent of the total number received by local offices.

In 1966, a goal of allotting 24 percent of MDTA training opportunities to persons aged 45 and over was set—the same percentage as that of all unemployed workers in this age group. Moreover, the 1966 amendments to the MDTA called for a special program of testing, counseling, and referral to training for older workers. At the end of the year, the Department of Labor issued an administrative order emphasizing special job development and placement services, as well as training, for this age group. Nevertheless, the Department has failed to achieve more than an 11-percent representation of older workers in MDTA training projects. This continued failure speaks loudly of the obdurate barriers these workers face.

The Age Discrimination in Employment Act of 1967 brought the force of Federal law to bear on this problem. The act makes it unlawful for employers of 25 or more persons in industries affecting interstate commerce, or for employment agencies and labor unions, to deprive any individual in the 40-through-64 age group of employment opportunities or to affect his status as an employee adversely because of age. Exceptions may be made where age is a bona fide occupational qualification or where differentiation is necessitated by the terms of a seniority system or a pension or other employment benefit plan. However, benefit plans may not be used as an excuse for failure to hire older workers.

The very limited funds made available for administration of the act, a responsibility assigned to the Department of Labor, were allocated entirely to enforcement. It had been hoped that sufficient funds would be in hand also for research and educational activities relating to employment of older workers, as called for by the act.

The work-experience programs set up under the 1965 and 1967 amendments to the Economic Opportunity Act have been a source of jobs for limited numbers of older workers.[16] In Operation Mainstream, the proportion of older workers enrolled has reached 60 percent. Three projects designed exclusively for the 55-and-over age group are providing jobs in community service for more than 2,800 persistently unemployed or retired men and women. In rural areas, the main project is Green Thumb for men, sponsored by the National Farmers' Union.

A similar project, employing mostly women, is Foster Grandparents, funded under the EOA and administered by the Department of Health, Education, and Welfare. Since its initiation in 1965, this project has expanded—to about 4,000 participants in 1968. Projects in 20 predominantly urban locations—offering men and women jobs in schools, hospitals, social agencies, and other nonprofit agencies—are conducted by the National Council of Senior Citizens and the National Council on Aging.

Altogether, the conclusion is inescapable that the resources available for manpower efforts on behalf of older workers with job-finding problems have been small and their impact similarly limited.

[15] *The Older American Worker—Age Discrimination in Employment*, Report of the Secretary of Labor to the Congress under Section 715 of the Civil Rights Act of 1964 (Washington: U.S. Department of Labor, June 1965). There is a further discussion of this report in the chapter on Manpower Research. See also The Older Worker in the section on Equal Employment Opportunity.

[16] For a further discussion of this program, see Work-Experience and Related Programs earlier in this chapter.

Reductions in the rates of short- and long-term unemployment among workers past 45 have been about in line with overall trends—suggesting that improvements in the general economic situation have been largely responsible for these gains.

More research and evaluation are needed to identify the weaknesses of current programs and suggest future program directions. It may be that resources to do more of what is already being done, and do it better, would make the greatest contribution. A step in this direction is the establishment of a National Institute for Industrial Gerontology by the National Council on Aging, under contract with the Department of Labor. Activities include developing curriculum models for training Employment Service counselors of older workers, coordinating research in this field, and holding seminars for Employment Service, labor, and industry personnel.

The challenge to solve the problem of older workers should remain high on the national agenda. By 1970, their number will have grown to about 32 million, nearly 2 out of every 5 Americans in the work force.

INMATES OF CORRECTIONAL INSTITUTIONS

The job prospects of persons released from correctional institutions are dismal. Sometimes referred to as "the most disadvantaged of the disadvantaged," this group labors under multiple handicaps. With some exceptions, they lack job skills and experience; their level of educational attainment is low; employers and the public in general mistrust them; and there are legal and administrative restrictions on their employment possibilities. Moreover, their financial and personal resources are at a low ebb, and this compounds the difficulties of adjustment to "life on the outside." All too often, former prisoners recidivate—that is, commit new offenses leading to their return to prison.

For more than a decade, the Federal-State Employment Service system has offered special services to as many ex-inmates as possible within the limits of staff resources and program priorities. The Bureau of Apprenticeship and Training has worked with inmates in a few institutions over a long period to open to them the apprenticeship route to jobs. Moreover, the U.S. Civil Service Commission administers a Rehabilitated Offender Program to promote the hiring of applicants with criminal conviction records who are judged to be rehabilitated. Under this program, it is the policy of the Federal Government to hire carefully and selectively, deciding each case on its merits. In over 60 Interagency Boards of U.S. Civil Service Examiners, there is a Selective Placement Specialist to give rehabilitated offenders personal advisory service on job qualifications, examining procedures, and job referral service. Not until the passage of the Manpower Development and Training Act, however, was the Department of Labor able to undertake research and program action looking toward improvement in the employability of inmates *before* they are released from confinement.

A series of research and experimental and demonstration projects concerned with training and related services for inmates was started soon after the passage of the MDTA.[17] The encouraging findings of these projects, coupled with further investigation of the training needs of the inmate group, led to an amendment to the act in 1966 to authorize a national pilot program of inmate training in Federal, State, and local correctional institutions. The program is providing a testing ground for the hopeful implications of the early projects. If it develops as expected, it will prove the feasibility of establishing full-scale, regularly funded, vocational training programs in all types of correctional institutions. Developed in consultation with the Federal Bureau of Prisons, the U.S. Office of Education, a number of state correctional administrators, and other interested agencies, the program concept accorded with a growing interest in emphasizing rehabilitation over punishment and attempting to end the total estrangement of prisoners from the community.

With the limited resources available in fiscal 1968, it was possible to fund only 10 projects for about 1,000 inmates, only a fifth of the projected program level.[18] While most of the projects offer a choice of training in several occupations on prison grounds, provision for offsite training and cooperative arrangements with other agencies are encouraged. For example, a project in Texas is bnsing inmates of the Tarrant County Jail to the

[17] For a description of these research projects, see the chapter on the Experimental and Demonstration Program.

[18] In addition, two ongoing E&D projects in the South Carolina State prison system were transferred to the pilot program.

Fort Worth MDTA Skill Center for training. Twenty-five women inmates in Oregon will be individually referred to training in public and private schools. A project in Minnesota provides basic education and vocational training on the site but will also refer carefully selected inmates to offsite training appropriate to their individual interests and capabilities.

In some of the inmate projects, supporting medical, psychological, and counseling services are furnished by the Rehabilitation Services Administration of the Department of Health, Education, and Welfare (formerly the Vocational Rehabilitation Administration). In one recently approved project in Arizona, RSA is bearing half the training cost as well as providing services; the other half of the training cost is provided by the State Education Agency; and a $5 weekly stipend per trainee is supplied from MDTA funds. A job development and placement officer will be furnished for the project by the Arizona Employment Security Commission.

Substantial involvement of private social agencies in projects is anticipated, as, for example, when the Salvation Army provides postrelease "half-way house" accommodations and aids in the adjustment of project graduates to the community.

The severe limit on the number of projects that could be funded in fiscal 1968 made it impossible to achieve the hoped for representative cross section of areas and trainee characteristics. Emphasis in fiscal 1969 is on developing projects in additional States and among inmates over 30 years of age. While it is much too soon to evaluate the effectiveness of the program, there is reason to hope that it carries the seeds of a large-scale rehabilitation program for convicted offenders.

THE HANDICAPPED

Physical and mental impairments limit the work activity of perhaps 16 million Americans 17 years of age and over, not counting those handicapped by alcoholism. The Rehabilitation Services Administration in the Department of Health, Education, and Welfare estimates that over 4 million handicapped persons could benefit from vocational rehabilitation services and that their numbers are augmented by approximately half a million persons annually.

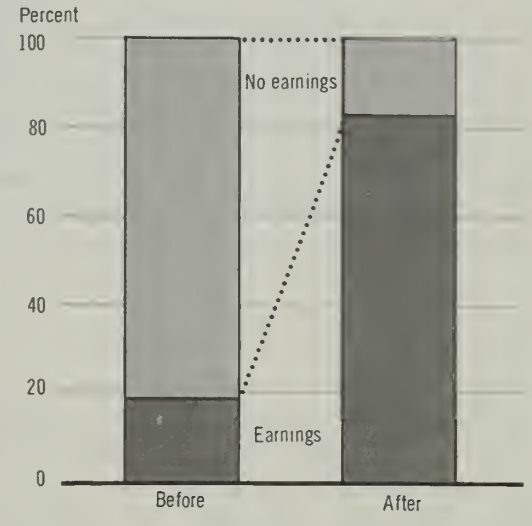
The Vocational Rehabilitation Program

The Federal-State vocational rehabilitation program has recently been much enlarged. In 1968, 670,000 cases were served, compared with 298,000 in 1960. Persons rehabilitated numbered 208,000 in 1968—up from 88,000 in 1960. The benefits in terms of increased earnings are illustrated in chart 16.

Amendments to the Vocational Rehabilitation Act in 1965, 1967, and 1968 greatly broadened this program for the handicapped, to include more of

CHART 16

Rehabilitation quadrupled proportion of handicapped people with earnings . . .



and increased median pay by almost one-third.

Source: U.S. Department of Labor, based on data from the U.S. Department of Health, Education, and Welfare.

the severely disabled and disadvantaged. One of the resulting program trends has been a notable increase in the number and proportion of mentally ill and mentally retarded persons served; they now comprise more than one-fourth of all rehabilitants.

A factor in enlarging the program was the increase in the Federal share in funding to a flat 75 percent (80 percent beginning July 1, 1969) by the 1965 amendments. These amendments also set a goal of making services available by July 1975 to all handicapped people who want and need them.

Individuals with handicaps that exclude them from jobs or homemaking or that threaten their continued employment may apply for vocational rehabilitation services. The final criterion for eligibility—reasonable expectation that rehabilitation services will enable the individual to engage in a gainful occupation or function as a homemaker—has been a deterrent to accepting handicapped persons with severe disabilities or complicated problems that make such prediction difficult. The 1965 amendments provide for "extended evaluation" to determine rehabilitation potential, by allowing more time and testing of response to services before the final determination is made.

In recent years, the Federal-State vocational rehabilitation program has expanded into many new areas of service and has participated in antipoverty and manpower programs. Some examples of its expanded activities are the special education programs conducted jointly with the Office of Education to assist handicapped young people to bridge the gap from school to work; rehabilitation services for public offenders and juvenile delinquents; participation in the Cooperative Area Manpower Planning System, the Concentrated Employment Program, and in other programs for the disadvantaged in urban and rural areas; and cooperation with the Department of Labor in providing needed minor medical services to MDTA trainees.

Job Placement Services

The public Employment Service has stepped up its long-standing special services to the handicapped, as part of the intensified effort to serve the hard-core unemployed. Focusing on the needs and qualifications of the individual, the Employment Service does a great deal of specialized job development for the handicapped, persuading employers to modify arbitrary hiring requirements or to adapt the work environment to the capabilities of particular individuals. And like the Rehabilitation Services Administration, the Employment Service has been giving increased attention to the employment problems of the mentally retarded and the mentally restored, recognizing that many persons in these two groups can become productive workers if they receive proper help in preparing for and obtaining jobs.

During fiscal year 1968, more handicapped people registered for jobs with local employment offices than in any previous year, and nonagricultural job placements of the handicapped hit a post-World War II high. Referrals of rehabilitated persons from State vocational rehabilitation agencies to the Employment Service increased to 32,500, three times the number of such referrals a decade ago.

In its role as an employer, the Federal Government has long been a leader in the employment of both the physically and the mentally handicapped. Under the leadership of the Civil Service Commission, more than 270,000 handicapped workers have been hired by Federal agencies since World War II. In recent years such appointments have averaged 15,000 annually.

In addition, the Commission has special appointment procedures for two groups of the handicapped, the mentally retarded and those with severe physical impairments, including the blind, the deaf, and those with multiple handicaps. These are workers who cannot compete successfully in regular Civil Service examinations because of their impairments, but who can demonstrate ability to perform necessary work in jobs adjusted to their skills and abilities. Using special appointing authorities, Federal agencies have, within the last 3 years, hired over 5,000 mentally retarded people for 65 different occupations and more than 250 severely handicapped for a variety of clerical and professional positions.

Future Program Directions

An increased emphasis on vocational rehabilitation services to people in inner-city ghettos and in impoverished rural areas, with their known high

rates of disability and mental retardation, is planned and needed. A great expansion of facilities and services—involving, among other things, the construction of new rehabilitation facilities and workshops and remodeling of existing ones—is possible under recent legislation.

Joint attacks on rehabilitation problems by several agencies, including joint funding of projects, is another indicated program direction. For example, the Department of Transportation is currently studying means of improving the mobility of the handicapped through appropriate changes in transportation services. The vocational evaluation and work adjustment (diagnostic) services authorized for the poor by the 1968 amendments to the Vocational Rehabilitation Act will benefit from—and, indeed, require—a multiagency approach. The program will be community-oriented in its delivery of services but will use the individualized approach that is the hallmark of the rehabilitation program. Manpower and anti-poverty programs will be major referral sources, and for persons who do not qualify for services in a rehabilitation facility, these programs will furnish the indicated assistance.

Along with the expansion in vocational rehabilitation services has come a need for expanded training programs in a wide range of professional occupations. The Vocational Rehabilitation Act already provides resources to overcome the critical shortage of trained personnel, which has long been recognized as an inhibiting factor in the total program. Grants for such training, which is carried on by both universities and social agencies, increased approximately fivefold between fiscal years 1960 and 1968, reaching $31.7 million in the latter year.

For its part, the Employment Service plans to offer training in dealing with the handicapped to additional State and local office personnel—training which has been requested by 38 State agencies. The limited number of highly trained placement specialists, in demand almost everywhere, will be allocated to places where they can serve the greatest numbers—for example, employment offices adjacent to State or mental hospitals and community mental health centers. The Employment Service also expects to play a central role in developing cooperation among rehabilitation and training agencies and employers (including sheltered workshops).

Services to Returning Veterans and Disadvantaged Servicemen

The services provided by the Government to returning veterans are, at once, a recognition of the country's obligation to those who have served in its Armed Forces and an aid to great numbers of individuals in what could be a very difficult transition.

Over 900,000 servicemen will return to civilian life during fiscal 1969—about 350,000 more than in the average year before the Vietnam war. This will bring the total number of veterans in the population to over 27 million. Many of the returning veterans will have meaningful jobs awaiting them, but some will face serious job-finding and job-adjustment problems without intensive placement and other assistance. The Federal-State Employment Service system, the Veterans Administration, and the Department of Defense are working together in a concerted marshaling of the needed services.

At the direction of the President, the public Employment Service began in late 1967 to contact each new veteran personally, shortly after his release from the Armed Forces. Upon receipt of a notice of discharge, a representative of the local office nearest the veteran's home makes every effort to offer assistance tailored to his individual needs. This may take the form of job counseling and guidance, referral to training or employment on a priority basis, or information about the amended GI bill of rights and the financial assistance it offers to veterans in obtaining education and training.[19] And if the veteran faces a period of un-

[19] Amendments in 1967 to the Veterans' Readjustment Benefits Act of 1966 increased education allowances for veterans in full-time education or training to amounts ranging from $130 per month for those with no dependents to $175 per month for those with two dependents, plus $10 per month for each additional dependent. Amendments in 1968 have the effect of extending the length of time benefits may be received in relation to length of military service.

employment, he will be advised of his rights to benefits under the veterans' unemployment compensation program. Highest priority in services is accorded to disabled veterans.

Over the 8 years ending in June 1968, more than 12 million veterans filed job applications with local employment offices. Nearly 9 million placements of veterans were made in nonagricultural jobs, including 840,000 placements of disabled veterans. Another 688,000 veteran placements were made in farm jobs. The Office of Veterans' Reemployment Rights in the Department of Labor is available to assist veterans who left jobs for military service and want to return to these jobs. The office administers legislation that guarantees the veteran's right to job reinstatement with the same status, pay, and seniority he might have been expected to achieve had he continued in the job.

To further improve services to veterans, the President, in late 1967, ordered the establishment of special Veterans Assistance Centers in major cities. These centers, operated by the Veterans Administration in 21 cities, place special emphasis on helping the 25 percent of veterans who have less than a high school education. Veterans' employment representatives, on the staff of the State Employment Services, are stationed at each of the centers.

The U.S. Civil Service Commission also has a three-part program of assistance to veterans of the Vietnam era. This consists of (1) increased counseling on Federal job opportunities, (2) expedited processing of applications from veterans, and (3) a new type of transitional appointment that provides access to civil service jobs to veterans who have no more than a high school education and who agree to take 1 to 2 additional years of schooling. Counseling for veterans is provided by the Commission's 65 Interagency Boards of Examiners and by Commission representatives at the Veterans Assistance Centers.

Many servicemen are reached with special job market information or assistance even before they doff their uniforms. Under a cooperative arrangement with the Department of Defense, the Employment Service conducts briefings on veterans' benefits for groups of servicemen at military separation points. During these briefings, leaflets outlining services available at the local public employment office are distributed. Pamphlets on job requirements and career opportunities are subsequently mailed to the men on request. Generally, a film cosponsored by the Veterans Administration and the Veterans Employment Service is shown to apprise the prospective veterans of the benefits provided for them.

PROJECT TRANSITION

An ambitious program to prepare servicemen for civilian employment in advance of discharge has taken shape since 1967 in Project Transition. Recognizing that many men face discharge without adequate education or skill training, the transition program has been opened to men in their last 6 months of service at about 250 military installations. It provides counseling, training, education, and placement services to those who face the most severe problems—the combat disabled, those with no civilian work experience, and those, including many combat veterans, who did not acquire civilian-related skills or had no opportunity to achieve high school graduation equivalency diplomas while in the service.

The program allows the returning serviceman adequate time, prior to his return to civilian life, to think about the kinds of options available to him (including continuance of a career in the Armed Forces) and then to acquire a new skill or educational advantage during the last 6 months. It is a cooperative effort, in which American industry and local, State, and Federal government agencies all bring information about the opportunities and services they offer to the serviceman prior to his separation. In addition to the Department of Defense, the Departments of Labor, Commerce, and Justice, the Post Office Department, the Veterans Administration, the Civil Service Commission, and the Office of Education are the Federal agencies engaged in the program.

Occupational training comes from many sources. The military installations provide about 150 different courses in civilian-related skills, some through formal instruction and many through on-the-job training. The Department of Labor, through the MDTA, has provided about 50 courses, training over 2,000 individuals. Other Federal agencies have provided courses in a number of skill areas. Both formal and on-the-job training are supplied by at least 50 large corporations and 300 small businesses all over the country. Much of the public and the private training effort leads directly into postseparation employment.

PROJECT 100,000

Since October 1966, military service has assumed a constructive role in the lives of more than 140,000 young men who, prior to that time, would have been disqualified for the service by failure to meet physical, mental, or educational requirements. Moved by an alarmingly high failure rate among young men summoned to take induction examinations, the Department of Defense initiated the unique Project 100,000. By lowering entrance requirements and marshaling modern instructional techniques and methods of building motivation, the Armed Forces are succeeding in qualifying these men both for military service and for more productive lives when they return to civilian status.

The program has been highly successful. Ninety-six percent of the participants complete basic training. The largest group (38 percent) are assigned to combat-type jobs; the remainder go into jobs in maintenance, communication, construction, transportation, supply, and other technical fields. The men's promotion rate, supervisory evaluations, and disciplinary record evidence satisfactory performance, and their educational level is being measurably advanced through remedial reading and other education programs.

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IMPLEMENTING AND COORDINATING MANPOWER PROGRAMS

The widening scope of manpower programs during the 1960's has been accompanied by—in some cases has forced—the creation of new mechanisms and new institutions for program implementation. As in all areas of domestic policy, the responsibility for manpower development and utilization is a shared responsibility, with State and local governments bearing the major burden for implementation of programs. Their cooperation contributes indispensably to program accomplishments, but it also creates complex operating problems. The piecemeal but accelerated growth of manpower programs has been another complicating factor. New programs have made one-by-one additions to the purposes and scope of manpower policy and have relied on separate and sometimes quite disparate operating arrangements. Achieving some degree of harmony among these program elements has been a major undertaking in the past half decade.

National manpower policy is built on a series of laws, each one designed to meet a critical national need at a particular point in time, using the machinery deemed most appropriate. The most important of these laws have all been discussed in preceding chapters. They include the Wagner-Peyser Act of 1933; the Area Redevelopment Act of 1961; the Manpower Development and Training Act of 1962; the Economic Opportunity Act of 1964; the Economic Development Act of 1965; the Demonstration Cities and Metropolitan Development Act of 1966, which authorized the Model Cities Program; the Social Security Amendments of 1967, which provided for the new Work Incentive Program; and the Vocational Education Act of 1963 and the 1968 amendments, which make possible a strengthening and restructuring of the vocational education system.

The varied character of the manpower legislation, and of other influencing forces, is matched by the variety of administrative arrangements that have grown up to carry out the congressional mandates. Problems which flow from such a diffused organizational base are felt at all levels of government and among the clients of manpower programs as well. A refrain of criticism and complaint about confusion of responsibility, overlap, and duplication of effort forms the background for the consistent efforts which have been made to bring order and system into the manpower picture.

Early efforts centered on coordination at the national level—first by the creation of a Manpower Administration in the Department of Labor, and later through strengthening of administrative arrangements in regions, States, and local communities. Creation of machinery for State and local coordination of manpower programs culminated in the establishment of the Cooperative Area Manpower Planning System (CAMPS). Another facet of the drive for improved coordination has been the development of systems for delivering man-

power services which will enable individuals to get all the services they need to help them solve their employment problems. These systems include such efforts as the Neighborhood Services Pilot Programs and the Concentrated Employment Program (discussed later in this chapter).

Principles of Program Organization

Although the complex problems of organization of manpower programs have not yet been finally resolved, some principles have emerged during this period of development. To assure efficient and satisfactory implementation of manpower policy at all levels, at least four criteria must be met—namely, public accountability, involvement of the poor (or others served), availability of employment, and consistency with national objectives.

PUBLIC ACCOUNTABILITY

It is obvious that no program deserves to survive, or even to start, if it does not meet the needs of the community, if it is not operated in a responsible fashion, and if the people of the community do not feel that it is theirs. In the case of manpower programs, which have been increasingly concentrated in limited target areas, this requirement for responsiveness and responsibility becomes especially difficult. The programs must not only meet the needs of the target areas to which they are aimed, but since they must depend for support on the larger community, the programs must satisfy the larger constituency as well.

The Community Action agencies—set up by the Office of Economic Opportunity in many communities as the coordinating agency for antipoverty projects—were designed to embrace all interests of the community, but it has often taken considerable time and effort for them to gain the confidence of the larger community in which they must operate, including the business sector.

Since the manpower programs are linked in many cases to the Community Action agencies, their ties with the community are strengthened as closer relationships are built between the mayors and the CAA's. In addition, community relationships have been aided by reliance on the State Employment Service agencies as the deliverers of local manpower services; the development (through CAMPS) of broad-based local coordinating committees, with concern for the needs of the total community as well as target areas; and the linking of the Concentrated Employment Programs with the Model Cities Programs of the Department of Housing and Urban Development, which are sponsored by the mayors.

INVOLVEMENT OF THE POOR

Basic to the design of the antipoverty program is the belief that the only help of lasting benefit is self-help—that success in terms of increased educational achievement, better jobs, more and steadier income cannot be imposed on individuals from without. The theory was, and is, that if those caught in the cycle of poverty are to break out of that cycle, they have to do so through their own effort. It is no accident that the antipoverty legislation is denoted the Economic Opportunity Act. Its purpose is not to make everybody rich, or even moderately well off, but to afford every individual the opportunity to lift himself from poverty and thereby to participate fully in the good life which the majority of Americans enjoy.

One other principle underlies the antipoverty effort—the belief that group action can create the conditions for social change which would open the door to individual change. Community action was seen as a means of shaping unorganized city dwellers into a coherent and self-conscious group, which would be the channel for individual self-help efforts that would, in turn, provide the way out of poverty.

This principle was embodied in the Economic Opportunity Act in the requirement for "max-

imum participation of the poor." As interpreted by regulation, the requirement was that at least one-third of the governing boards of the Community Action agencies had to be representatives of the poor. The people who were to be helped in the poverty program were to have a voice in deciding how they were to get that help, what kinds of help should be given priority, and how the resources should be used.

Involvement of the poor, though sometimes difficult to achieve and often disturbing to the more settled community institutions, has nevertheless had positive results. The involvement of the poor has led to better understanding of the problems of poverty, to significant community progress in many areas, to a more effective allocation of resources, and particularly to a raising of aspirations and expectations among those whose former hopelessness and despair made self-help impossible.

The principle of involvement has spread to other programs. The Model Cities Program, for example, requires involvement of the people who are to be served, not only in the planning and development of programs but in the employment which they generate. In the manpower area, the principle has been implemented in a variety of ways:

—The Concentrated Employment Programs are sponsored in most areas by Community Action agencies, which must include the poor. In addition, at least 50 percent of the staff of the CEP must be residents of the area served.

—In response to the Poor People's Campaign in June 1968, in which one of the major demands was for more significant participation of the poor in the planning and operation of programs, the Department of Labor is moving to include representatives of the poor on Manpower Advisory Committees, and to find ways of making their participation significant and effective at every level.

—Continuous efforts have been made to recruit and train individuals who are representative of the groups being served in State Employment Service operations. For example, a new program got underway in the summer of 1968 to train 1,300 paraprofessionals for work in local manpower programs, leading in most cases to career positions in State employment agencies. These jobs will be filled primarily by persons recruited from the poor.

AVAILABILITY OF EMPLOYMENT

No manpower program can operate effectively unless there are jobs available for the recipients of manpower services and training. Yet the job market cannot be depended on to provide jobs for all of the clients of manpower programs. For the disadvantaged workers, a special advocacy, a special assistance is needed.

The National Alliance of Businessmen and the JOBS Program have made notable progress in evoking employer cooperation in hiring and training the disadvantaged (as discussed in an earlier chapter). The NAB and JOBS, however, are presently limited to the 50 largest cities. They cannot provide the channel for employer involvement in all of the areas where there are manpower programs. Efforts have therefore been made in a variety of other ways to evoke employer interest and cooperation. Local committees which are part of the Cooperative Area Manpower Planning System should include representation from employers, but business has not taken full advantage of the opportunity (nor have strong efforts been made to stimulate their interest). In addition, the local employment offices work regularly with the business community. However, much remains to be done to assure full participation by employers in manpower programs.

CONSISTENCY WITH NATIONAL OBJECTIVES

To achieve national manpower objectives, while at the same time maintaining responsiveness to local need, is a continuing and difficult problem. The decentralization of the Manpower Administration, coupled with full utilization of the variety of administrative and organizational designs that have developed in different local situations, will make it possible to maintain a satisfactory and flexible structure able to capitalize on differences in local resources and capability to solve local problems.

The following sections describe the evolution of Federal, State, and local organizations in conjunction with the growth of manpower programs; how they have shaped and reshaped themselves

o cope with the problems of coordination, in both he planning and the implementation of program nd policy; and how systems have been developed to assure the efficient delivery of comprehensive manpower services to the individuals for whom these services are intended.

The Federal-State Organization

DEVELOPMENT OF THE MANPOWER ADMINISTRATION

The development of a national manpower policy as seen the growth of a coordinated Federal manower organization from a small staff group in he Department of Labor, chiefly concerned with he problems of automation and technological unmployment, to the present Manpower Administration consisting of headquarters, regional and ocal offices, and concerned with the whole range f problems centering on unemployment and nderemployment and the actions needed to solve hem.

At the start of the decade, Federal concern ith manpower was divided in the Department of abor among several bureaus—particularly the Bureau of Employment Security, which includes he national office of the Federal-State Employment Service system, and the Bureau of Apprenticeship and Training. Three months after the nactment of the Manpower Development and Training Act in March 1962, the Office of Manower, Automation and Training (OMAT) was stablished. This office was charged with the Deartment of Labor's responsibilities for carrying ut the purposes and programs of the new act.

The lack of an organization in OMAT capable f local program delivery soon led to the decision o assign operating responsibility for the institutional training portion of the MDTA, insofar as he Department of Labor was concerned, to the Bureau of Employment Security, with its access to national network of local Employment Service ffices. These offices are charged with identifying ccupations in which training should be offered, ecruiting trainees, and helping them to find emloyment. Under the MDTA, the Department of Health, Education, and Welfare has responsibility or the institutional training itself.

Operation of the on-the-job training program, or which the Department of Labor has responsibility, was assigned to the Bureau of Apprenticeship and Training. OMAT continued, however, to be the focal point for manpower policy, planning, research, evaluation, and experiment and demonstration.

By 1963, it was apparent that there had to be a coordinating mechanism within the Department to bring together the staff and operating manpower functions, and on February 19, 1963, the Secretary of Labor signed the order establishing the Manpower Administration. The resulting organization was a relatively loose confederation of the established operating bureaus, plus a new office to handle financial and management services.

When the Neighborhood Youth Corps was created by the Economic Opportunity Act in 1964, a new bureau to administer this program was added to the Manpower Administration. The new Bureau's ties to the Manpower Administration were somewhat tenuous, as was true also of the older semiautonomous bureaus, whose constituencies were well established and whose relationships within the governmental structure were well defined. But by June 1966, when the Manpower Administrator became an Assistant Secretary of Labor, thereby giving the Manpower Administration additional strength and status, the loose confederation had begun to tighten up.

In December 1967, a major realignment of the Manpower Administration took place, streamlining and giving discernible form to a systematic arrangement of functions within the Manpower Administration. Both program and administrative staff functions were centralized. The Bureau of Employment Security retained responsibility for both the Federal-State Employment Service operations and the programs that impinge directly on those operations, while the Bureau of Work-Training Programs (evolved from the Neighborhood Youth Corps as new manpower programs were added year by year) took over the operation of the remaining work and training programs, including

on-the-job training under the MDTA. The Bureau of Apprenticeship and Training was thereby freed to devote its full energies to the promotion of apprenticeship programs.

Plans for further unification of the organization as well as decentralization of operating functions have been under discussion in recent months. It is apparent that the process of adjustment of the Federal manpower organization to the tasks confronting it must continue.

As the process of unification of the Manpower Administration was being carried out in Washington, it was accompanied by a parallel process throughout the country. At the outset, each of the constituent bureaus of the Manpower Administration had its own regional and district offices. The Bureau of Employment Security and the Bureau of Apprenticeship and Training followed an 11-region pattern, while the Neighborhood Youth Corps followed the Office of Economic Opportunity pattern and carried out its activities from seven regional offices. Oftentimes, regional headquarters of the different bureaus were not even located in the same cities. As the interdependence of the separate manpower operations became more evident, with joint action in the major program areas sometimes required and usually desirable, it was clear that there must be a coordination of effort among the bureaus not only in Washington but in the regions as well. To facilitate such joint action and coordination, Manpower Administration Regional Executive Committees were established in each of the 11 Bureau of Employment Security and Bureau of Apprenticeship and Training regions. These committees were composed of the Regional Administrator of the Bureau of Employment Security, the Regional Director of the Bureau of Apprenticeship and Training, and the Regional Director of the Neighborhood Youth Corps. The efforts of the committees were directed primarily at program coordination, problem solving, and the development of a unified approach to the implementation of local manpower problems.

Concurrently with the realignment of functions that took place in late 1967, the Manpower Administrator appointed eight Regional Manpower Administrators. These administrators assumed responsibility for the general coordination of manpower programs previously carried out by committees as well as for direction of all work and training programs within their regions. Complete decentralization of authority for all manpower operations to the Regional Manpower Administrators may be the next step.

There is no doubt that the growth of manpower programs has forced the decentralization of program operating authority. Not only must manpower programs be completely responsive to local needs, but the size of the overall effort makes centralized operations uneconomical and unfeasible.

THE EMPLOYMENT SERVICE'S CHANGING ROLE

Fundamental to all of the efforts of the Manpower Administration to improve coordination and to assure an orderly and sensible delivery of manpower resources to the individual is the conviction that maximum utilization must be made of the Federal-State Employment Service system. Its present resources—a national network of State and local offices and a body of trained manpower staff—are unmatched and make the Employment Service the logical agent for local implementation of national manpower policy. However, in order to fill this role the Employment Service has had to undergo basic changes—a redefinition of mission and a redirection of effort.

In the drive to achieve utilization of the Nation's unused or underutilized manpower resources, ever-increasing demands have been placed on the Employment Service at all levels—Federal, State, and local. The list of new legislation passed during the 1960's in which the Employment Service has a role is indeed formidable. In addition to the basic legislation authorizing employment and training programs, such new legislation as the Farm Labor Contractor Registration Act of 1964, the Civil Rights Act of 1964, the 1965 amendments to the Immigration and Nationality Act, and the Veterans Readjustment Benefit Act of 1966 have added heavily to employment office responsibilities.

Before 1962, the Employment Service functioned primarily as a labor exchange and as administrator of the work tests for unemployment insurance claimants. In its strictly placement functions, the agency was limited by the types and numbers of jobs offered by employers and listed voluntarily with the local office, and by the workers and unemployment insurance applicants who found their own way to the office. Today, with the new tools which the legislation of the 1960's

gives to the Employment Service, its role is no longer passive and limited to job placement but has broadened to include identification of people who need employment assistance, improvement of the labor exchange in matching people to jobs, and development of an employment structure that is free from discrimination and artificial hiring requirements.[1]

To deal with these varied functions, funds for the activities of the Federal-State Employment Service more than doubled over the 5-year period from June 1963 to June 1968 (from $153 million to $341 million) and the number of local offices increased by nearly one-fourth (to 2,147).

The State Employment Service agencies moved first toward reorientation when, under the Area Redevelopment Act of 1961, they assumed the new responsibilities assigned to them—including careful surveying of area training needs, development of training proposals, the selection and referral of individuals for training, and placement of these individuals after they were trained. In 1962, with the passage of the Manpower Development and Training Act, the role of the Employment Service was further expanded. By 1966, after searching analysis and reanalysis of responsibilities for meeting the manpower needs of the country, the Employment Service developed the Human Resources Development (HRD) concept—the most significant change in the orientation of the public Employment Service during recent years.

Human Resources Development

Begun on a demonstration basis in Chicago in 1965 and adopted as a basic part of Employment Service operations in 1966, the Human Resources Development concept is addressed directly to the most critical present and prospective manpower problem—that of hard-core unemployment and underemployment in urban slums. The implementation of the HRD concept brings together all Employment Service efforts to serve individuals in the various groups who have difficulty in obtaining suitable employment; i.e., youth, older workers, handicapped, members of minority groups, hard-core unemployed, and the urban and rural poor.

The HRD concept recognizes that active efforts to seek out the disadvantaged must be made. The background of alienation and discouragement characteristic of slum residents often means that those who need help most will not seek it, even if they know it is available—as many do not.

HRD therefore starts with an effort to identify and reach out to those most in need of employment services through new avenues including the use of community workers, staff in small neighborhood centers, and mobile units. Wherever possible, individuals who reside in the community to be served, or who are representatives of the groups to be served, are utilized in these outreach efforts.

A second basic premise of HRD is the belief that people who are disadvantaged need special kinds of services to help them prepare for and adjust to the modern world of work. These services include special counseling and testing, instruction on the requirements of a regular work situation, referral to occupational training, and continuing contact with the worker after he is employed to help him adjust to his new work environment. A team approach to assisting workers is presently being introduced in this phase of the HRD effort, using counselors, coaches, and other trained Employment Service personnel. This approach provides continuity in carrying out the individually tailored plan which is developed for each of the HRD clients, to chart his progress from unemployment to a job situation which matches his interests and capabilities. In addition, special efforts are made to obtain employers' cooperation in hiring these disadvantaged workers.

Direct linkage with the outreach efforts of other community action, welfare, and education agencies and neighborhood programs is an integral part of HRD. For example, Employment Service personnel are stationed in Community Action agency neighborhood centers and in other accessible locations.

The magnitude of the job to be done should not be underestimated. In implementing HRD, it is frequently necessary for the Employment Service to provide the impetus for creation of services where they do not exist, as in the case of child day-care centers, or for stepped-up supportive service where long delays would endanger efforts to help disadvantaged jobseekers.

Obstacles to satisfactory resolution of an individual's employment handicaps are not always

[1] The Employment Service has developed several programs to meet the employment needs of special groups. See the section on Programs for Special Groups, in the chapter on Meeting Individual Needs, for further discussion of these programs.

institutional. Sometimes Employment Service staff must overcome a reluctance on the part of the HRD client to make use of the new institutional services available to him, such as health clinics or legal aid.

Human Resources Development is not itself a program, but provides the rationale and methodology for Employment Service participation in a number of programs. The new HRD approach has enabled the Employment Service to become the deliverer of manpower services to urban and rural slum areas in the Concentrated Employment Program (CEP). Area residents are being recruited as community service trainees on the employment offices' own staffs, in order to provide a bridge to the target communities and, it is hoped, give convincing evidence to these communities that the Employment Service has a true commitment to serve their best interest. Maintenance of contact with private employers through the JOBS Program and other, more traditional channels also enables the Employment Service to provide necessary linkages in the employability-employment process.

In addition to the Concentrated Employment Program a major operating base for the HRD concept is the network of centers which has evolved from the Youth Opportunity Center program. This YOC program was initiated in 1964 in response to the growing concern about youth unemployment. The national network of centers has now been expanded to provide services to the disadvantaged of all ages.

The Employment Service's concern with youth is based on more than 25 years of service in many of the Nation's school systems. The cooperative schools program, designed to assist youth in the transition from school to employment, was developed voluntarily by the staff of local schools and local Employment Service offices to supplement school guidance programs. It provides placement and employment counseling services to seniors entering the job market and to school dropouts, with the objective of helping them find suitable jobs. During the 1966–67 school year, local employment offices served nearly 10,000 high schools, close to half of all high schools in the country.

Working with school officials in inner cities and small towns and rural areas, the Employment Service is now reorienting its cooperative schools programs in line with HRD objectives. It is recognized that the cooperative school program can be an effective channel of outreach to youth in rural and urban areas. Emphasis will be on providing employment assistance to actual and potential dropouts as well as high school seniors and recent graduates who, because of unequal educational opportunity, are inadequately prepared to bridge the gap between school and work.

Problems of Growth and Transformation

The expansion and transformation of the Employment Service have not been without problems. The Employment Service has struggled through major difficulties occasioned by local differences in both needs and program approaches, delayed legislative action on funding, and different program demands and priorities from the national offices of the various Federal agencies seeking to carry out the programs required of them under different pieces of legislation. Inadequate staffing, the rigidities of State merit systems, and the slow development of rapport with minority groups in many States have also contributed to the problems of growth and readjustment.

Under the Wagner-Peyser Act no groups or individuals may be denied the services of the public employment offices. Furthermore, nearly all services applicable to one group are needed to some degree by other groups. One of the greatest difficulties of the Employment Service has been how to stretch its limited staff resources to meet the service needs of residents of depressed rural areas and of urban ghettos; of unemployed and underemployed persons; of employed applicants who expect to be laid off; of jobseekers who meet the criteria of disadvantaged and those who do not; of veterans and nonveterans.

State Employment Service agencies hope to alleviate some of their staffing problems and at the same time provide job opportunities for the unemployed and underemployed through the TIMS program—Training in Manpower Services—which was developed to help staff priority manpower programs with newly trained people who were previously unemployed or underemployed. TIMS guidelines call for recruitment of people who live in the community in which the trainee will work, waiver of written merit system examinations as a selection requirement, establishment of a career ladder of preprofessional job classifications, and a firm commitment on the part of the State agencies to hire those who satisfactorily complete the training. Six TIMS programs are underway, and a

number of States are considering this kind of training to help staff their manpower programs.

As the development of a national manpower policy moves into the next phase, the Federal-State Employment Service—strengthened by the addition of new manpower tools and with increasing ability to respond to local needs—can assume an even larger role in the implementation of manpower programs.

STATE AND LOCAL COORDINATION

Coordination of programs at the State and local level has been a continuing concern of those responsible for program administration. There must be a local capacity to assess the need for manpower services, and also an efficient mechanism to balance program needs against available resources, both public and private.

In the early stages, when program resources were inadequate to serve even the groups most in need of help, the necessity for coordination was not so obvious. Since only a fraction of the need could be met, the chances of overlap and duplication were less. However, as the manpower program grew, and resources became more adequate, though still not sufficient to cover all of the needs, it became more important to assure that there was no opportunity for overlap. The decision to concentrate resources in the areas of greatest need has made it imperative that each program (and each program dollar) be administered in a way that will allow maximum impact in these areas. Although the Employment Service has assumed much of the responsibility for local coordination, new institutions and organizations have been developed also to help fill the need.

Efforts to assure program coordination fall into two general areas--the coordination of planning and policy development, and the delivery of manpower services in a coherent pattern at the local level. This section describes the efforts to coordinate planning. Local delivery systems are discussed in a later section.

MDTA Advisory Committees

The Manpower Development and Training Act and its amendments provide for advisory committees at the national, regional, State, and local levels—representing the groups who would be expected to have an interest in manpower problems; i.e., industry, labor, education, agriculture, and the public. These committees were intended not only to channel expert assistance to the administrators of manpower programs, but also to help in coordinating manpower efforts in the States and local communities. The National Manpower Advisory Committee has been functioning actively since the beginning of the MDTA program, and in 1964 the State Employment Service agencies were administratively required to take the initiative in establishing local advisory committees. The functions of these committees, however, were not broadly defined. Instead of becoming the focal point for manpower planning, the committees largely confined their activities to review of the proposals for specific MDTA projects (approval authority of course rested with operating officials); to public relations matters; and to gaining community understanding of manpower concepts.

By 1967 the Cooperative Area Manpower Planning System was in effect, and the advisory committees no longer carried, even figuratively, the burden of a coordinating role in the community.

The President's Committee on Manpower

Title I of the Manpower Development and Training Act provides that the Secretary of Labor advise the President and make recommendations on national manpower matters. To assist the Secretary in carrying out the function, the President issued an Executive order in 1964 establishing a President's Committee on Manpower (PCOM). The Committee consisted of the Secretary of Labor as chairman, and the heads of the Departments of Defense, Interior, Agriculture, Commerce, and Health, Education, and Welfare; the Atomic Energy Commission, National Science Foundation, National Aeronautics and Space Administration, Civil Service Commission, and Selective Service System; and later the Office of Economic Opportunity.

The Committee devoted its first year to problems of major concern at that time—including techniques for identifying manpower requirements and projections, and the needs for training and retraining of scientists, engineers, and specialized personnel for new Federal programs. By 1965, however, it was clear to the Committee that the

problems of coordination, particularly at the local level, deserved immediate attention. A Task Force was therefore established by the PCOM to review the need for improved coordination of manpower programs and to see what could be done to achieve that goal. This Task Force agreed that teams representing the Departments of Labor and Health, Education, and Welfare and the Office of Economic Opportunity should be sent to 30 cities to explore the coordination problem there.

By the late spring of 1966, three-man teams were in operation in all 30 cities. Since they were action teams, not just study groups, they were able to accomplish improved coordination in many areas. Without line authority, however, they had limited ability to bring together the separate community groups directly involved in manpower planning and program operations.

Their major findings included the following:

—In each major metropolitan area, there were 15 to 30 separate manpower programs administered by public and private agencies, all supported by Federal funds.

—Programs run by different agencies and supported by different appropriations tended to operate in isolation from each other.

—Many prospective clients were badly confused.

—Serious gaps emerged when programs which ought to be complementary were developed separately.

—The opportunities for building a comprehensive program through joint funding were frequently overlooked.

These findings led inescapably to one conclusion—that establishment of a local coordinating mechanism and of a method for single funding of manpower programs could no longer be delayed. The Cooperative Area Manpower Planning System and the Concentrated Employment Programs were initiated within the next year.

The Manpower Administration Representatives

A recurring recommendation considered and tested since 1963 has been for a single Federal manpower representative in each major city to serve as the focal point for the coordination of manpower programs.

When the Concentrated Employment Programs were first launched in 19 cities and two rural areas in early 1967, it was decided that, because of the time constraints on program development and funding, a representative of the Department of Labor's Manpower Administration should be appointed in each prospective CEP city. The program was announced in March, but the annual appropriation system, under which most of the manpower programs operate, made it necessary to complete development and contracting procedures by June 30 of that year. Only by assigning a man, full time, to each city, with full authority for the development of the program, could the job be accomplished in the time allowed. Fortunately, many of the former PCOM three-man team members were immediately available and could be assigned to this important work. Each of these Manpower Administration Representatives, then became the single Federal voice on manpower matters in his city, in so far as the Concentrated Employment Program was concerned.

When the second series of Concentrated Employment Programs was developed in 1968, Manpower Administration Representatives were still used, but this time reporting to Regional Administrators and not to Washington. In addition, State Employment Service personnel were utilized, to help in developing the greatly increased numbers of new CEP's. This forced division of responsibility led inevitably to some uncertainty of role and responsibility among the staff selected for the assignments and among the sponsors with whom they were dealing.

Cooperative Area Manpower Planning System

By April 1966, the Manpower Administration had taken the first concrete steps to organize program planning activities at the State and local levels in systematic fashion. The National-State Manpower Development Plan initiated at that time provided the States with a blueprint for achieving the redirection of the MDTA training program toward service to the disadvantaged called for earlier that year. As a first step, the Department of Labor, after consultation with the Department of Health, Education, and Welfare and the Office of Economic Opportunity, developed the plans, policies, and guidelines for fiscal 1967.

States were asked to develop specific plans on the basis of the guidelines for all MDTA institutional and on-the-job training programs. The

guidelines also called for organizing State and local coordinating committees to assist in the development of State and local plans consistent with the national plan. State Manpower Development plans were developed and submitted by all of the States and reviewed by a national interagency coordinating committee consisting of representatives of the Departments of Labor, Commerce, and Health, Education, and Welfare, and the Office of Economic Opportunity. The review committee made recommendations for approval, disapproval, or modification of each plan. Subsequently funding of MDTA projects was carried out along the lines set forth in the approved plans.

The experience with this limited manpower planning led to the decision, the next year, to expand the planning system to cover all federally aided manpower programs, not just those authorized by the MDTA. The new system was to be a joint undertaking of all of the agencies administering manpower and related programs and was to focus on the area job market. The system was designed to put into the hands of State and local agencies the information about all of the manpower resources expected to be available to them in the following fiscal year, so that they could deploy these limited resources against their most pressing needs. On a national basis the system would allow optimum allocation of resources in meeting national manpower goals.

The March 1967 directive establishing the system was signed by the heads of seven Federal agencies involved in manpower programs: The Manpower Administration of the Department of Labor; the Bureau of Adult and Vocational Education, the Welfare Administration, and the Vocational Rehabilitation Administration, all of the Department of Health, Education, and Welfare; the Office of Economic Opportunity; the Economic Development Administration of the Department of Commerce; and the Department of Housing and Urban Development. By March 1968, the Bureau of Indian Affairs and the Water Pollution Control Administration of the Department of Interior; the Department of Agriculture; and the Civil Service Commission had joined in the system.

The CAMPS structure is based on local planning committees in almost 400 local job markets.[2] Local agencies closely linked with participating Federal agencies have formed the nucleus of these committees, but voluntary participation has been urged on other agencies with programs related to human resources development. In addition, appropriate representatives of local and county government have been urged to take part. Information, advice, and assistance may be sought from community leaders, employers, trade union representatives, and others. A typical area committee may include representatives of at least 24 different manpower or manpower-related programs. In some cases the committee meetings represent the first time all of those involved in local manpower efforts have even been aware of the existence of each other's programs.

The local organizations are complemented by a State system of CAMPS committees, with representation from appropriate State agencies, as well as Federal agency field staff. The Governors of the States have been invited to take the lead in the State CAMPS, and several State committees are operating directly from the Governor's office or with a special Governor's representative.

The State committee is responsible for developing a comprehensive State plan which allocates all of the Federal manpower resources available to the State and utilizes other resources to the fullest extent possible. The State plan is reviewed by a Federal Regional CAMPS Committee chaired by the Regional Manpower Administrator and composed of the regional representatives of the other participating Federal agencies. The approval authority for the plan lies with this committee. The plans are then forwarded to the National CAMPS Coordinating Committee. The chief concern of the National Committee is to oversee the operation of the system and to make policy recommendations for improvements.

CAMPS is the most ambitious and far-reaching attempt to regularize manpower planning that has been undertaken. It has already produced information never before available and has made possible a coordination of effort far beyond the first hesitant steps of the State manpower plans. In its first year, CAMPS was entirely a voluntary effort, resting on the good will of agencies whose tendency to compete had often been more evident than their eagerness to cooperate. However, in August 1968, the President issued an Executive order stating that cooperative planning and execu-

[2] The National CAMPS Coordinating Committee designated only about 100 local planning areas, but many State committees have extended the system to additional localities, sometimes even blanketing the entire State.

tion of manpower training and supportive manpower service programs is the policy of the Government, and that the concerned Federal agencies should carry out their activities in furtherance of this policy. The Department of Labor was assigned the responsibility for administering CAMPS, and the agencies were directed to participate to the fullest extent consistent with each agency's legal authority. The system of local, State, regional, and national committees was recognized as the appropriate method for dealing with what the President called "the central fact about all of our manpower programs . . . that they are local in nature."

Some problems that have developed in the operation of CAMPS deserve mention. A misunderstanding among some participants in the CAMPS process, particularly at the local and State levels, as to the purpose and function of the system, has led to divergent and conflicting perceptions of what the agency participation and commitment should be. When CAMPS is perceived as a system for earmarking funds, the conflicting pressures for allocation of generally inadequate resources are brought into sharp focus in the planning process and cannot be resolved by the system as it presently exists. When CAMPS is perceived as the information sharing and coordinating organization it was originally intended to be, this problem can be avoided. The extent to which CAMPS should become a funding system is a question yet to be resolved.

Also of concern are the lack of flexibility and the inability to respond immediately to changing national policy which result when planning responsibility is decentralized. Although such decentralization increases the possibility of optimal utilization of funds, it does not permit national redirection of programs to meet emergency needs. Both the Concentrated Employment Program and the JOBS Program were initiated at the national level after the annual CAMPS process was begun. It is unlikely that these programs could have been mounted so quickly if the resulting diversion of funds—which led to some criticism—had not occurred.

The annual budget and appropriation cycle under which most of the manpower programs have operated makes it difficult to develop and disseminate at the most appropriate time the initial round of information on which CAMPS is predicated. Federal agencies in Washington cannot give information ahead of time to the State and local committees on the resources that will be available to them in the following year, when the budget for that year is not submitted until January. In addition, the practice of the Congress to enact appropriations well after the fiscal year has begun further complicates and frustrates the planning process.

Local Systems for Delivery of Manpower Services

Progress in coordinating the administration of Federal manpower programs has been paralleled by the development of better systems for delivering manpower services to the object of all of this activity—the individual who has serious employment problems.

Starting from the simplistic proposition that unemployed people can be helped to find and keep decent jobs by skill training or retraining, it has come to be recognized that they often need a great deal more than this, particularly if they are undereducated or otherwise disadvantaged. The unemployed person may need to be sought out and brought into contact with the people who can help him: he may need to be taught basic educational skills: he may need to be given all kinds of special support to let him know what is expected of him and to help him through his first period of employment: he may have health, or legal, or family problems: he may need assistance in getting to work: or if he is an ex-convict, he may need bonding help. He may be a young school dropout without previous work experience. He may be over 55 and with special problems of finding and keeping suitable work. In some cases the problems are not directly his—for instance, where employers have established unrealistic hiring standards.

Whoever the person who needs manpower services may be, and whatever his problems, there must be available to him a complete range of serv-

ices, so that his special employment problems can be resolved. The varions systems and programs recently developed to provide integrated delivery of services are discussed in this section.

ROLE OF COMMUNITY ACTION AGENCIES

Since the outset of the antipoverty program, the Office of Economic Opportunity's national policy in the manpower area has been directed towards the dual objectives of removing barriers to employing the poor and increasing the employability of the poor. Strategies in implementing this policy consist of utilizing the Community Action agency to mobilize community resources to meet local needs, achieving as much participation as possible by the poor in programs designed to help them, and coordinating manpower programs with other private and public resources in the community. The Community Action agencies are encouraged to sponsor the full range of manpower services from outreach through job placement and followup.

Since 1965, the Labor Department and the Office of Economic Opportunity have continually developed mechanisms for coordination between the two agencies. Early arrangements related to the stationing of State Employment Service personnel in CAA neighborhood centers, the sponsorship of Neighborhood Youth Corps programs, and other matters. An agreement reached in 1967 established the role of the CAA, with roots in the target slum neighborhoods, as presumed sponsor of all manpower programs under the Economic Opportunity Act. At the same time, local Employment Service offices, with expertise in providing specific manpower services, are presumed to be the deliverers of such services.

The development of local comprehensive manpower systems in different cities and rural areas got off to a slow start. Before the establishment of the Concentrated Employment Program most manpower activities sponsored by the CAA's and other community-based organizations had consisted of single legislative programs—such as the Neighborhood Youth Corps, Operation Mainstream, or New Careers—aimed at specific client groups.

Coordination between local manpower programs sponsored by the CAA's and other manpower agencies has been limited and characteristically informal, at least in the absence of a formally organized concentrated employment program. An example is the pattern of relations with Employment Service offices. Often the local office is represented on the board of the CAA; in some rural areas, the employment office representative chairs the board. Employment Service personnel are commonly stationed in CAA neighborhood centers in order to provide specific manpower services. In other cases, the CAA neighborhood centers refer clients to the local employment offices.

Characteristically, the CAA's are responsive to direction from their Federal headquarters and to the pressures of the local community. On the other hand, local employment offices respond to the direction of a State agency with a traditional pattern of operation and a high degree of specialization.

The coordination of complex local manpower programs has presented administrative problems for both the CAA's and the Employment Service. While solutions to these problems are by no means fully evolved, both the Community Action and the Employment Service staffs are beginning to develop the body of management experience necessary to administer these complex programs, which require the coordination of many interrelated functions.

THE CONCENTRATED EMPLOYMENT PROGRAM

Each Concentrated Employment Program is a coordinating mechanism designed to combine individual manpower programs into a comprehensive system of services and to concentrate the impact of these programs on specific urban slum neighborhoods or impoverished rural areas. The CEP provides training and supportive services to disadvantaged persons so that they can obtain steady, decently paid employment. It attempts to achieve a balance of training opportunities and services of various types, in order to meet the specific needs of individuals and to insure the maximum results in terms of their preparation for stable, worthwhile employment. Prior to the initiation of the CEP's in 1967, the federally supported manpower effort consisted of a series of largely discrete programs, such as the Human Resources Development effort, the MDTA institutional and on-the-job training programs, and the various manpower pro-

grams authorized by the Economic Opportunity Act.

These programs often had overlapping objectives and sometimes conflicted, as each attempted to address a specific problem of a particular population group. The CEP is an effort to focus these programs and resources, to bring them together in a coherent system under one organizational sponsor, and to fund them through a single channel.

Program Capacity, Funding, and Enrollment

The first CEP was funded in mid-1967 in Cleveland, Ohio. By late 1968, 76 CEP's were operational, of which 13 were located in rural areas.

The distribution of resources and the choice of target areas for the CEP's have been determined by a number of priorities. The selection of urban areas was based, first, on the extent of unemployment and sub-employment in these slum neighborhoods and, second, on an estimation of the local capability to mount a CEP. Priorities among rural areas were again based on need and also on the potential of a given area for economic growth. In choosing among urban and rural areas of demonstrated need and capability, geographical spread was an additional factor. The existence in the community of other Federal programs related in purpose to the CEP's, such as Model Cities and JOBS, has more recently been a factor in site location.

By late September 1968, a total of 118,000 people had been interviewed and screened for the CEP program. Of these, about 38,000 were placed in regular employment. Nearly 4,000 others were enrolled in MDTA on-the-job training projects, and 5,000 have participated in the New Careers Program. Some 25,000 enrollees have completed basic education or other institutional training programs.

Of those individuals enrolled in the Concentrated Employment Program, slightly less than half were males. Eighty percent of all CEP enrollees were Negroes, 8 percent Mexican Americans, and 4 percent Puerto Ricans. Over half of the enrollees were 22 to 44 years of age, and over one-third 21 years of age or younger. Twenty percent of the CEP enrollees were welfare recipients. Fifty percent had had 15 or more weeks of unemployment during the year prior to their enrollment.

Organization of the Program

The Concentrated Employment Program accomplishes its purpose through a single sponsor—generally, the local Community Action agency. The sponsor has responsibility for planning and implementing the CEP in coordination with other agencies and planning groups. The responsibility includes the development of subcontracts with other agencies to provide specific elements in the program and the supervision of these subcontracted activities. The CAA sponsor usually operates the centralized staff functions such as data collection, besides maintaining neighborhood centers, supervising coaching staffs, and providing some supportive services.

The Employment Service, as the prime deliverer of manpower services in the local community, ordinarily provides the basic services that the CEP clients need to find and hold jobs. These services range from professional help in determining the individual's abilities and interests to work with employers to open job opportunities to the hard-core unemployed. They can also include orientation to the world of work, and even continuing contact with the individual after he is employed, to help him adjust to a working situation.

The other kinds of services involved—essentially basic education, skill training, and some supportive services—are provided by a variety of local institutions. Public school systems and junior colleges often provide the needed education. Various local government agencies provide opportunities for work experience through Neighborhood Youth Corps and Operation Mainstream projects. Entry-level positions and training for subprofessional work in human service fields are available in local agency-sponsored New Careers programs. On-the-job training in private industry is provided through subcontracts with individual firms or through the National Alliance of Businessmen and the JOBS Program.

Efforts are made to involve the local business community. Businessmen may serve as advisors and consultants, as spokesmen for the CEP with other businessmen, or more directly as subcontractors providing job and training opportunities. The National Alliance of Businessmen, organized to promote the hiring of disadvantaged unemployed persons in private industry, provides a significant portion of the job development for CEP in large cities.

To insure the responsiveness of local CEP's to the needs of the neighborhoods they are designed to serve, participation by residents of these neighborhoods is emphasized. A directive has been issued which requires that half of the staff of new CEP's be neighborhood residents.

Planning and Coordination

The process of planning a Concentrated Employment Program is no simple matter. First, the interrelationships between the different elements in the program must be worked out and a system for coordination developed, so that comprehensive services may be provided efficiently to a large number of enrollees. Thus, the administrative structure itself is complex. Second, as indicated earlier, many different organizations, agencies, and individual citizens, with varying perspectives on manpower problems and varying philosophies of service, can provide program resources. This variety of potential contributors increases the difficulty of assigning priorities.

To bring together these disparate elements of the local communities, to provide a coherent view of the CEP concept, and to serve as a monitor for CEP planning and operation, the Manpower Administration has appointed a special representative in each area where there is a CEP.

Planning for a CEP is funded by the U.S. Department of Labor through a planning grant to the prime sponsor. During the planning period, the Manpower Administration representative and the prime sponsor must develop the cooperative relationships and commitments by local public and private agencies, educational institutions, State government agencies, businessmen, and residents of the proposed target area which are necessary to implement the CEP.

The development of CEP's takes place in the larger context of manpower planning for the cities and rural areas involved through the Cooperative Area Manpower Planning System. CAMPS area committees operate in every CEP city and rural area, with the Manpower Administration's representative and the CEP director as members.

Operational Problems

One of the most difficult problems of any new program is establishing clearly defined lines of authority and responsibility. The complexities of the CEP make this problem critical. However, as experience has accumulated, revised program guidelines have been issued to clarify the functions of individual components and their staff.

The development of jobs for CEP enrollees has been inadequate, owing to a lack of employer involvement in the program. CEP sponsors often have not gained the confidence of the large private firms which could afford to absorb the additional risks of hiring the disadvantaged. For this reason, the National Alliance of Businessmen and the JOBS Program are being brought into closer cooperation with the CEP's. The NAB provides the liaison and promotional work with the business community necessary to obtain job opportunities, and the JOBS Program provides the reimbursement to employers required to cover the extra costs involved in hiring and training the disadvantaged.

A shortage of experienced personnel to manage and staff the programs has resulted in operational delays and an inability to meet program goals. Increased training and technical assistance in program management to CEP sponsors should alleviate the problem.

The planning of new CEP's has suffered from insufficient time to develop successful working relationships between the Community Action agency, the local Employment Service, and other concerned agencies. In an effort to alleviate the "crash" conditions of CEP planning and funding, the planning grant period recently has been extended from 60 to 90 days or longer if necessary.

NEIGHBORHOOD SERVICES PILOT PROGRAM

The Neighborhood Services Pilot Program was launched in August 1966 when President Johnson asked Secretary Weaver of the Department of Housing and Urban Development to "set as his goal the establishment in every ghetto in America of a neighborhood center to serve the people who live there."

Neighborhood centers of more limited types were in existence, and their experience helped in the planning of the new effort. The Office of Economic Opportunity had already sponsored over 700 multipurpose centers in poverty neighborhoods, and the Departments of Labor and

of Health, Education, and Welfare had provided funds for additional single or multipurpose centers.

In response to the President's directive, HUD convened a working committee of representatives from the three other agencies just listed to develop a Neighborhood Centers Program. This group decided that a demonstration program should be carried out in designated areas in 14 cities (Boston, Chattanooga, Chicago, Cincinnati, Dallas, Detroit, Jacksonville, Louisville, Minneapolis, New York, Oakland, Philadelphia, St. Louis, and Washington, D.C.).

The services to be provided included job information and training, health, education, recreation, referral, and other community services. Three possible kinds of centers were suggested to the cities—an advice and referral center, a diagnostic and limited service center, and a one-stop service center for all services. By the summer of 1968, plans for centers in all of the cities with the exception of Jacksonville had been approved, and funds had been allocated for program operations (through a joint funding arrangement by the four agencies involved). All cities went beyond the advice and referral type of center in their plans, but none went as far as a one-stop center.

Subsequent to the initiation of this Neighborhood Services Pilot Program, both the Concentrated Employment Program and the Model Cities Program were begun. In 10 of the 14 cities planning neighborhood centers, there is a substantial congruence between the areas to be served by the center and by the CEP. In two other cities, the target areas are adjacent. The Department of Labor policy is to make the CEP the manpower component of the Neighborhood Services Pilot Program wherever possible. Similar careful planning and coordination are required as the Model Cities Program expands to new areas.

As a demonstration program, the NSPP will be closely watched.[3] In any case, it is apparent that the concept of a neighborhood center available to the people who live in the areas of greatest need is basic to any effectively coordinated system for providing manpower or other social services.

[3] One interesting innovation in the NSPP was an attempt to develop a single application form for use by the sponsor to obtain funds from four Federal agencies. It is hoped that this feature can be adapted for more general use by Federal agencies.

THE MODEL CITIES PROGRAM

The Model Cities Program, authorized by the Demonstration Cities and Metropolitan Development Act of 1966, is a major effort to provide for the rebuilding of cities and the rescue of millions of city residents from poverty and inhuman living conditions. As stated in the act, "Improving the quality of urban life is the most critical domestic problem facing the United States. Persistence of widespread urban slums and blight . . . has resulted in a marked deterioration of . . . the lives of large numbers of our people while the Nation as a whole prospers."

The provision of manpower services was clearly regarded as a basic part of any overall rebuilding program. This was evident in even the first tentative proposals submitted under the new program.

The Department of Housing and Urban Development has the overall responsibility for the Model Cities Program but from the outset, the Departments of Labor and Health, Education, and Welfare and the Office of Economic Opportunity have been deeply involved in the development of the program, review of proposals, and technical assistance to local agencies.

By June 1968 Model Cities planning grants had been made to 75 cities. Later an additional 75 cities received planning grants. It is expected that by June 1969, program operations will get underway in all of the 75 first-round cities.

The success of the Model Cities Program depends essentially on the cooperation and coordination of effort of all major Federal agencies with responsibility for dealing with urban problems. Steps taken by the Department of Labor to achieve maximum coordination of its manpower programs with the Model Cities Program include the following:

—The Concentrated Employment Program has been and will be directed to Model Cities areas insofar as possible. Other demands on the limited CEP resources, such as the requirement to achieve an urban-rural balance, sometimes preclude the extension of the CEP to the growing list of model cities. But where the programs can be brought together, the CEP target area will include the model city target area, and all area residents will be eligible for CEP services. The CEP then will

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become the primary source of manpower services for the Model Cities Program.

—Sponsorship of the Model Cities Program lies with a city development agency, which is responsible to the mayor (or other chief executive of the city). To assure that the CEP is developed in accordance with model city plans, the Department of Labor requires that the city development agency and the mayor must be consulted about the selection of a CEP target area and about the sponsorship and planning of the program. It is also a firm policy to make major operational changes in the program only after they have been brought to the attention of the mayor's office.

—Planning of the CEP and Model Cities manpower services to be provided by programs is to be done through the CAMPS area coordinating committee structure. The Department of Housing and Urban Development has also directed the city development agencies to work closely with local CAMPS committees. In addition, mayors have been encouraged to assume leadership in establishing and operating these committees, in order to provide local government direction of CEP and Model Cities planning.

THE WORK INCENTIVE PROGRAM

The newest of the manpower programs, the Work Incentive (WIN) Program, is both a substantive program and a potential delivery system.[4] Like the CEP, the WIN Program makes available to its enrollees a complete range of manpower services. Unlike the CEP, it serves only people on AFDC (Aid to Families with Dependent Children) rolls. In addition, some of the services—such as active outreach to disadvantaged workers in need of help—which are vital to the success of the CEP, are not necessary in the WIN Program: welfare agencies are in touch with the prospective enrollees and refer them directly to WIN.

One important similarity between the two programs is the individual employability plan. In each program a plan is made for every individual, indicating which services he is to receive and in what sequence, in order to help him achieve steady employment and self-sufficiency.

In the first phase of the WIN Program, resources will be directed to the neighborhoods with the most people on AFDC. In many cases these are the same areas that already have Concentrated Employment Programs. Arrangements have been made, therefore, to utilize the CEP machinery wherever possible for the WIN clients. As the WIN Program expands to take in more people in additional areas, as required by law, the importance of the program as a system for delivery of services will become more apparent.

THE COMPREHENSIVE WORK AND TRAINING PROGRAM

The Economic Opportunity Act Amendments of 1967 required that the manpower programs authorized under the act and delegated to the Department of Labor—the Neighborhood Youth Corps, New Careers, Operation Mainstream, and CEP [5]—be administered by one sponsor at the local level as a Comprehensive Work and Training Program (CWTP). Implementation of the amendments did not get underway until late 1968. For purposes of planning and operating the comprehensive programs a community program area must be designated. The area usually will be a city but may encompass entire metropolitan or rural areas, or single neighborhood or county areas. The Federal-State Employment Service system will deliver manpower services in support of these work and training programs, and the prime sponsor of the CWTP, like the CEP, is usually the local Community Action agency. The prime sponsor will be responsible for assuring that delegate agencies satisfactorily perform their responsibilities, including provision for participation by and employment of the poor.

A LOOK AHEAD

No single system can ever be developed to fit the variety of local situations in which manpower programs must operate. However, it is apparent that the Employment Service, the Community Action agencies, and the city governments all have necessary and important roles.

[4] For a further discussion of the WIN Program, see the chapter on Meeting Individual Needs.

[5] The NYC in-school program is excepted.

Some of the problems of the Employment Service have been discussed earlier, including the limitation of services to traditional clients brought about by the recent shift in resources to service to the disadvantaged. This is one of the reasons for proposals from within the Employment Service system, the Congress, and the academic community that a new legislative mandate be developed for the Employment Service, authorizing broader financial support for a program of comprehensive manpower services. Legislative proposals to this effect have not been successful to date.

Another problem to be addressed if the Employment Service is to be truly responsive to the needs of the community is finding a way to make citizen participation effective in the development of policy and programs. A significant move in this direction is now being made through the establishment of close relationships between the Employment Service and the Community Action agencies, with their typical emphasis on involvement of neighborhood residents, in the Concentrated Employment and Community Work and Training programs.

The Community Action agencies in urban areas also have some continuing problems. Designed to attack the causes of poverty through a variety of projects and to further serve the needs of the poor by involving them in these projects, the focus of urban CAA efforts has been on areas of concentrated poverty in slum neighborhoods. At the same time, the CAA's have sought to serve as advocates for the poor in their relations to other public and private agencies. The CAA's have been innovative in programing and have been a training ground for participants. But they are not designed to replace local government in any of its functions, and they are not structured to be responsive to the total needs of an urban area. In particular, the CAA's have not been concerned with, nor are they organized to perform, comprehensive manpower planning and administration of programs for entire metropolitan areas.

Elected local officials are just beginning to show an interest in, and to take responsibility for, local manpower programs. The Model Cities Program will surely stimulate their involvement. Although the manpower role of local governments is still in an evolutionary stage, it will undoubtedly grow in importance in the coming decade.

Resolution of the problems of local organization can only be accomplished through understanding of the organizational complexities, a willingness to change, and a devotion to the public interest in all groups, both public and private, concerned with the problems of joblessness, underemployment, and poverty.

AMERICA'S UNFINISHED MANPOWER AGENDA

The first *Manpower Report of the President* in 1963 gave expression to the "ideal of full employment, in the large sense that each individual shall become all that he is capable of becoming, and shall contribute fully to the well being of the Nation even as he fully shares in that well being. . . ."

In 1969, although acknowledging, as did the first *Manpower Report*, that the Nation has fallen short of the full employment ideal, much substantial effort can be traced and accomplishment recorded in pursuit of it. Again in the words of the first *Manpower Report:*

> If we have never achieved that ideal, neither have we ever for long been content to fall short of it. We have measured ourselves by the persistence of our effort. . . . As we still fall short of that standard, we are still not satisfied.

Thus, this seventh annual report is not satisfied to look back over the recent years of hard work, difficult problems, and much success. Its focus is also on the future, what remains to be done—America's unfinished manpower agenda.

A Résumé of Change

Ten years ago the Nation's economic and human development problems seemed so immense that no one dared to dream of the conquest of poverty or of the employment of "all those able and willing to work." Today, however, it is possible to contemplate these goals realistically and to work toward them.

While there are probably still more than 10 million Americans who need better skills, better understanding of industrial society, and better attitudes toward the world of work to become self-supporting at decent wage levels, their numbers have surely been reduced in recent years and just as surely can be reduced even more in the years ahead.

In terms merely of the numbers served, manpower programs have grown to impressive dimensions. About 1⅓ million individuals have been enrolled in the principal training and work-experience programs in each of the last 2 fiscal years. A similar number are enjoying the benefits of work and training programs in fiscal 1969. The story is told in some detail in table 14. From the meager beginning of less than 12,000 participants in fiscal 1962, manpower programs have grown more than a hundredfold in the short span of 6 years.

These figures represent only one imprecise and partial measure of progress, despite their undoubted indication that a great many individuals have been helped to overcome handicaps to employability. As the preceding pages have documented, changes are occurring in the basic orientation of the public Employment Service and vocational education systems and widening sectors of the business community. Such institutional change cannot be traced to a single source or cause, but there is little doubt that the manpower programs of the 1960's have acted with the rising aspirations of

TABLE 14. ESTIMATED NUMBER OF FIRST-TIME ENROLLMENTS IN FEDERALLY ASSISTED MANPOWER PROGRAMS, FISCAL YEARS 1962–68

Program	Fiscal year						
	1962	1963	1964	1965	1966	1967	1968
Total [1]	11,900	66,600	108,500	481,400	1,079,000	1,434,900	1,287,000
Structured training:							
Redevelopment area (Area Redevelopment Act)	8,600	12,600	11,300	10,400	[2]		
Manpower Development and Training Act		34,100	77,600	156,900	235,800	265,000	265,000
On-the-job training		2,100	9,000	11,600	58,300	115,000	125,000
Institutional		32,000	68,600	145,300	177,500	150,000	140,000
Job Corps				12,400	47,100	70,700	64,600
New Careers						1,000	4,300
Manpower activities of Bureau of Indian Affairs	3,300	3,500	3,900	5,000	6,700	7,700	7,900
Work experience:							
Neighborhood Youth Corps				137,900	422,900	556,300	467,400
Operation Mainstream						11,000	12,600
Work-Study (College)				[3] 48,000	262,000	431,000	405,000
Work Experience (title V, Economic Opportunity Act)				88,700	84,800	77,200	[4] 27,600
Community Work and Training (title IV, Social Security Act)		16,400	15,700	22,100	19,700	15,000	14,000
Program support:							
Concentrated Employment Program (special funds) [5]							16,000
Special Impact						[6]	2,600

[1] Excludes regular placements by the public Employment Service; also the registration of apprenticeship programs by the U.S. Department of Labor's Bureau of Apprenticeship and Training. The JOBS and WIN programs do not appear because the first enrollees were not recorded until fiscal 1969. It should be noted that the figures may include some double counting of persons enrolled in more than one program.

[2] Merged with MDTA program.

[3] Program in operation only 5 months in fiscal 1965.

[4] Program phased out in fiscal 1968 and 1969. Clients to be served by the new WIN Program.

[5] Other participants in CEP are included in training or work-experience programs to which they were referred. These persons received some service but were not enrolled in any of the above programs.

[6] Not available.

NOTE: Detail may not add to totals due to rounding.

the disadvantaged to alter institutional behavior in a number of key areas.

Since the first training programs for unemployed workers were started under the Area Redevelopment Act in 1961, the vocational education establishment has been responding progressively to the evident need for occupational training relevant to the demands of the job market and adjusted to the interests and capacities of different groups of trainees. The manpower program has added impetus to the broadening of vocational curriculums, the movement toward area vocational schools, and the innovative exemplary projects concepts built into the Vocational Education Amendments of 1968.

The Federal-State Employment Service system has substantially retailored its way of doing business. Whereas assisting the job preparation of special applicant groups used to be secondary to the local employment office's main mission of finding and referring manpower to meet employer demands, developing the employability of the disadvantaged now commands a major share of Employment Service efforts.

Whereas income maintenance used to be conceived of as either welfare payments or earned

benefits for workers covered by unemployment or old age and disability insurance, it is now widely recognized that subsistence allowances are an essential element in assisting the jobless to become job ready through training or other remedial activities.

Employers in private industry have become increasingly conscious of the irrelevance of many arbitrary hiring specifications. They also recognize, in growing numbers, their responsibility for joining with government in efforts to provide meaningful work at decent pay to those hitherto relegated to the most menial, casual, lowest paid jobs. Indeed, changes in employer attitudes towards hiring those heretofore thought, for all practical purposes, unemployable may be among the most significant changes brought about by the manpower programs of the 1960's.

As private employers' attitudes have changed, public service employment practices, too, have begun to yield. Many merit systems established in a different era are now recognized as archaic, or so rigid as to exclude from many public jobs people who could perform them well. Much progress has been made in overcoming the worst of these rigidities; even so, much still remains to be done. With public employment one of the fastest growing fields of employment opportunity, further rationalization of hiring practices offers much promise as a mean of opening worthwhile jobs to disadvantaged workers.

The Universe of Need

Among the benefits which have accrued from the recent years of trial and error in building manpower programs is a better understanding of the numbers and kinds of disadvantaged people who must have training and other developmental services if their potentialities are to be realized. In other words, much has been learned about the "universe of need" for manpower services. Although a great deal of work remains to be done to refine data, extend concepts, fill gaps in knowledge, and analyze more imaginatively the demography of poverty, a workable concept of the manpower universe of need and rough but plausible estimates of its magnitude and some of its salient characteristics have been developed.

According to these estimates,[1] there were in 1968 about 11 million chronically poor people for whom employment could be an escape route from poverty. These are people who could be helped to obtain better, more remunerative jobs through a variety of manpower measures designed not only to develop their skills and employability but also to remove artificial barriers to their employment. (This assumes, of course, adequate aggregate demand generated by wise and timely fiscal and monetary policy.)

Most of these people have multiple handicaps in seeking employment, and thus require more than one manpower service to prepare them for jobs. The following are approximations of the numbers with different demographic characteristics, suggestive of the obstacles to their employment. It should be noted that the figures are not additive; the same individuals may have several of the characteristics tested and hence be doubly or triply burdened in their job search (besides being counted several times in the figures).

Of the estimated 11 million people in the universe of need:

—Approximately 4.5 million, or about two-fifths of the total, are nonwhite, Mexican Americans, or Puerto Ricans, who may face discrimination on account of their race or ethnic origin in their quest for employment.

—More than half are women, sometimes subject to employment discrimination also and often barred from seeking needed jobs by lack of child-care facilities.

—About 4 million are youth under 21, either out of school and facing the peculiarly difficult problems of initial adjustment to the

[1] Prepared by the Interagency Manpower Planning Task Force with representatives from the Department of Labor, Bureau of the Budget, Department of Commerce (Economic Development Administration), Department of Health, Education, and Welfare, and the Office of Economic Opportunity. Questions concerning the concepts and methodology employed may be addressed to the Associate Manpower Administrator for Policy, Evaluation, and Research, U.S. Department of Labor.

world of work, or still in school full time and in need of part-time jobs to meet their living expenses.

—Some 3 million live in urban slums, faced with restricted employment opportunities as industry relocates in the hard-to-reach urban fringe areas, as well as poor schools and a host of other unfavorable factors endemic to city slums.

—Several million others, probably about the same number as are in urban slums, live in depressed and lagging regions such as Appalachia and the Ozarks, where unemployment and poverty are rife and employment opportunities declining, owing to rising farm productivity, depletion of mineral resources, and other reasons.

Affecting all these groups are the prevalent problems of lack of education and skill, poor health, and physical and mental handicaps. In addition, very large numbers—probably the great majority—are barred from many jobs by unnecessarily rigid job structures and by educational and other requirements for hiring and promotion that may have no relation to ability to perform the kind of work in question.

A sizable start has been made through current manpower programs in attacking all these kinds of problems. But the past and present level of program operations falls far short of that required to serve the estimated 11 million people in the universe of need. There have been, cumulatively, about 4.5 million enrollments in manpower programs since 1962 (of which an unknown but probably rather small number represents double counting of the same person enrolled in more than one program). Clearly, a large expansion in program resources will be required to serve the millions of people still to be aided and, through them, the additional millions of dependents in their families.

The Unfinished Agenda

The unfinished manpower agenda is thus, in major part, a problem of the numbers of people still to be reached and the funds required to reach them. But it is more than this. New administrative machinery, new program dimensions, and the development of new and untried concepts are needed if significant further progress is to be made in eliminating unemployment and poverty. Manpower programs have reached a size and complexity so great that the earlier, simpler administrative techniques are no longer effective. As progress is made in training and employing the disadvantaged, those who remain in need of help are likely to be the ones afflicted with the most stubborn and difficult—as well as the most urgent—problems.

ADMINISTRATIVE MACHINERY

High on the unfinished manpower agenda is the challenge of perfecting administrative machinery to insure program effectiveness. As indicated in the preceding chapter, the difficulty of coordinating the array of Federal manpower programs and the inadequacies of local institutions in delivering manpower services to individuals on a comprehensive, integrated basis have been a major concern of program administrators.

An Integrated Local Delivery System

The crux of the problem of achieving an integrated delivery system is the establishment of viable local coordinating institutions. The role of such institutions should probably extend only to planning, oversight, and evaluation of the multiplicity of local agencies and activities involved in providing manpower services. Clearly, it would be wasteful in the extreme and confusing to clients and employers alike to duplicate the facilities or, indeed, the missions of established agencies, such as the schools and the State Employment Services. The relevance and responsiveness of these institutions to the problems of the disadvantaged must be improved. Given the size and increasing complexity of the job, manpower programs cannot

afford simply to utilize the existing agencies in their traditional roles.

Probably the single most crucial function of the local manpower planning-coordinating-evaluating institution of the future should be recognizing and responding to local needs and interests. As concern with manpower problems has increased, Government at all levels has assumed new responsibility in the manpower area. Many cities now have manpower coordinators, and some have new agenices directly responsible for manpower matters. It is likely that mayors' ability to solve local employment problems will be an important factor in their ability to win or retain office. Therefore, manpower activity will probably assume an important role in city government and a place in city organization. It is conceivable that within the next 5 years there will be a city manpower official responsible to the mayor in every major city.

It is evident that the Congress and the public generally recognize the relation of manpower policy to the urgent national task of improving the quality of life in our cities. The strong link between the manpower programs and the Model Cities Program demonstrates this interest.

Future Federal manpower policy could capitalize on these factors—the public commitment to the improvement of urban life and the probable assumption of a manpower function by city government—and be designed to encourage and strengthen city manpower agencies. To a certain extent this is being done—in the Concentrated Employment Program, in the development of the Comprehensive Work and Training Program plan, and in the Cooperative Area Manpower Planning System. In each case, participation of the mayors is sought in the program planning and development process.

There are problems that occur, however, when such a policy is pursued. The ability of city agencies to relate to the disadvantaged population is unproven, and there is no reservoir of trained manpower personnel available to staff a new set of city manpower agencies.

One possible alternative for the organization of manpower programs locally is the community development corporation. These corporations can take a variety of forms, simple or complex, and range widely in size. Community development corporations generally are owned by members of the communities in which they are located. They ordinarily engage in two distinct forms of activity—profitmaking enterprises such as small factories, and service to members financed in part by profits from their own enterprises. The service activity is usually tailored to the specific needs of the ownership group—child care, health examinations, legal counseling, loan funds, or housing assistance.

At the same time that workers are producing goods and services, they are gaining work and managerial experience and marketable skills that enable them to get and keep jobs in the private economy at large. Equally important though less readily identifiable is the effect of ownership on the local community. By having a stake in a growing organization that benefits and can potentially influence his community, the individual worker develops a sense of his own worth and of the significance and effectiveness of his organization, as well as of his community, which is fundamental to constructive social behavior.

Community development corporations are underway in many parts of the country—from Bedford-Stuyvesant, N.Y., to East Pasco, Wash.; from the Roxbury area of Boston to Crawfordville, Ga. The idea is adaptable to urban slums and poor rural areas alike. The main problems of launching a community corporation are the acquisition of sufficient capital and managerial and technical assistance to carry the enterprise over its developmental stages into profitmaking.

The future success of community corporations on a large scale will depend on cooperation from private and public sources. Private firms probably will have to lend technical and managerial assistance and be willing to provide markets for the products of these enterprises. Public funds will probably be necessary to guarantee loans and provide skill training. In any event, broad national support appears to be essential if community corporations are to become an important force in the elimination of poverty.

A Comprehensive Manpower Act

As long as the manpower program is constrained to operate within a framework put together on a piecemeal basis, just so long will it be unable to achieve full effectiveness in providing the kinds and amounts of services each disadvantaged person may need to become employable. The Concentrated Employment Program goes far toward

putting together all of the elements that should enter into a comprehensive manpower program and making these available to the individual in a place accessible to him. But experience with the CEP's has demonstrated the difficulty of achieving a comprehensive approach based on separate legislative authorities that operate under separate sets of rules.

There are two major roadblocks to a coordinated, comprehensive program:

—First, in the area of employment and training services, the separate categorical programs that have been developed tend to box in the local CEP manager with their independent national images, program goals, and congressionally mandated funding levels. Thus, the CEP manager is typically confronted with the necessity of trying to fit together separate given program components of more or less arbitrarily determined size, rather than planning for the varied pattern of services needed by the dissimilar individuals in his unique community.

—Second, the supportive services such as remedial education, day care, and health care that are necessary to a comprehensive manpower program are not easily obtained in the quantity and quality required.

Effective action to overcome the roadblocks imposed by categorical programs would be aided by new legislation—a comprehensive manpower act providing a single, consolidated legislative base for planning, developing, administering, coordinating, and evaluating a nationwide manpower program designed to meet the needs of all Americans. The current authorizations for a set of specific manpower programs could be replaced by a broad, general authority to conduct work, training, and related programs for the disadvantaged, with the level and mix best designed to cope with shifting needs and priorities. Funding authority could be combined for all needed manpower services.

The second roadblock of a lack of supportive services may be more difficult to remove. There are four possible alternative arrangements for making available adequate social services to complement the local manpower program:

1. All of the social services could be funded through increased general purpose funds provided for in the proposed comprehensive manpower act. One version might authorize the use of resources of relevant service agencies, on a reimbursable basis, if required.

2. Those agencies with prime responsibility for the provision of social services could transfer sufficient funds to assure inclusion of adequate supportive services in the local programs.

3. The agencies administering social services could earmark appropriate resources for the local manpower program—for example, in the CAMPS planning process—but continue normal administrative control.

4. The social services could be coordinated with the local manpower program on a voluntary basis.

At the present time, the provision of supportive services in the local manpower program (for example, CEP) is accomplished most often through the fourth alternative mentioned above—on a voluntary basis. This does not allow sufficient local control for realistic planning. At the same time, any local planning system must recognize the needs and perogatives of various local and State agencies. Hence, alternative three seems preferable. The strengthening of the Cooperative Area Manpower Planning System by Executive order in August 1968 should result in a more effective use of this alternative.

Even if a comprehensive manpower act were to be as all-inclusive as anyone could imagine, there would still remain problems of relating the local manpower program to the main body of basic social and educational services. Additionally, the integrated manpower program of the future will continue to require administrative machinery to tie Federal, State, and local actions together. As the President said in his 1968 Manpower message:

> The central fact about all our manpower programs is that they are local in nature. The jobs and opportunities exist in the cities and communities of this country. That is where the people who need them live. That is where the industries are—and the classrooms, the day care centers, and the health clinics.

And, one might also add, that is where planning and conduct of local programs must reside.

Notwithstanding the imperative that the community manpower program be a local product, it must be interrelated with and follow the overall direction of national manpower policy. To add to the complexities, there are also State concerns and priorities that may have to be reconciled. Thus, the essential requirement is an administrative sys-

tem through which guidance on program resources, national objectives and goals, and requirements of the national economy can be made available to the State and local manpower program designers. Such a system must also include provision for communication of the nature and dimensions of local and State plans of manpower program action, so that competent administrative jurisdictions can be maintained.

NEW PROGRAM DIMENSIONS

Even with increased resources commensurate in size with the universe of need, and with improved administrative machinery to implement manpower programs at every level, additional program tools will still be required. New approaches to opening up employment opportunities for the disadvantaged must be explored.

Employment in the Public Sector

The basic objective of manpower programs is to make available a complete range of training and work opportunities, and other services as needed, to all individuals in a large, diverse group. These opportunities must necessarily include employment in the rapidly growing public sector.

It has been recognized for some time that provision for employment in the public sector is as much a part of a comprehensive local manpower program as is provision for employment in the private sector, particularly in rural areas. The Neighborhood Youth Corps, Operation Mainstream, and the New Careers Program are evidence of that recognition.

A program for employment in the public sector should be varied and flexible enough to serve a wide variety of individuals. It should range from reimbursement of the costs of training (including the extra costs incurred because of the disadvantaged nature of the group being trained) in regular jobs in State and local governments to the provision of sheltered employment. Sheltered employment might need to be available on a permanent basis for those who could not, at least in the foreseeable future, be equipped to compete in the regular job market.

One objective of a public employment program would be to serve as an interim income maintenance mechanism, providing the kinds of subsidized work opportunities now afforded by the Neighborhood Youth Corps and Operation Mainstream, where regular employment opportunities are not immediately available. Finally, the overall public employment program might well include provision for training and employment of the disadvantaged in all Federal grant-in-aid programs, by establishing hiring quotas and providing the needed additional resources.

The major concern of manpower programs is not to build and maintain aggregate demand in either the public or the private sector, which is primarily a function of fiscal policy. Manpower programs are specifically aimed at minimizing the problems caused by existing structural mismatching of the skills of the available workers and the hiring standards of available jobs. Hence, primary emphasis must be placed on two efforts—fitting workers to regular jobs and refitting employers' concepts of their jobs to the available manpower supply—rather than on simply subsidizing public employment, which would cease to exist as soon as the grant or subsidy was removed and which would therefore be of no permanent benefit to the employee. The continuing ability of State and local governments to sustain such employment on a lasting basis is tied to solution of Federal-State-local fiscal problems.

Perhaps the most important objective of a broadened public employment program would be to contribute to the real needs of communities and the Nation, and emphatically not to resort to made work. The public employment program must be an integral part of the effort to rebuild the cities, conserve natural resources, and bring rural America into the national mainstream.

The Tax Incentive Approach

A potential instrument for increasing the involvement of the private sector in manpower programs is some form of tax incentive or, alternatively, the closely related industry levy-refund grant idea, widely used in other countries. There is, however, continuing debate about the merits, the economic consequences, and, most of all, the impact upon job preparation of the disadvantaged of the tax incentive-tax credit concept.

This subject was considered at length by the Task Force on Occupational Training in Industry

established by direction of the President. The differing conclusions on the subject arrived at by the majority and a minority of the Task Force are discussed in the earlier chapter on Enlisting Private Industry Cooperation.

Dealing with Rural Employment Problems

Implementation of manpower programs in rural areas presents an especially difficult but urgent challenge. Chronic surpluses of labor, seasonality of employment, underutilization of manpower, inadequate earnings and poverty, and out-migration of rural youth are among the interrelated problems of rural America. Although some manpower development assistance has been extended to rural areas under the MDTA, Concentrated Employment, and work-training programs, its effectiveness has been diminished by the inadequacy of the manpower services and educational facilities available and by the lack of employment opportunities for workers displaced from agriculture.

A comprehensive manpower approach for rural areas should be linked with broader efforts to expand rural employment opportunities in farm and nonfarm activities, to upgrade these areas' educational institutions, to improve the operations of the job market, and to strengthen income maintenance and other social legislation, as follows:

—First, expanding employment opportunities in rural areas and in nearby urban centers with potential for economic growth calls for economic development efforts, including grants and loans for public works, business loans, and technical assistance, as well as private investment. Expansion of public employment for rural workers, in conservation of natural resources and in providing other needed services, is also indicated.

—Second, enhancing the ability of rural people to adjust to changing economic and employment conditions will require improving and expanding general and vocational education in rural areas and assisting more rural youth to obtain access to high school and post-high school vocational and technical training. It will also involve a substantial buildup of manpower training and work-experience programs in rural communities.

—Third, improving job market operations in rural areas will demand flexible new programs of matching workers and jobs, more adequate information on job opportunities and trends, expansion of employment services to rural residents, innovative approaches to stabilization of seasonal and irregular farmwork, and relocation assistance for workers migrating to urban areas.

—Fourth, strengthening rural workers' economic and social situation will also involve extending the coverage of unemployment insurance and other protective legislation to farmworkers and providing adequate social services for those too old, too infirm, or otherwise unable to benefit from economic development and manpower retraining programs. Of key importance would be legislation to protect the right of farmworkers to join labor organizations and to bargain collectively.

Thus, a comprehensive program for rural America must be viewed as part of a larger manpower and redevelopment effort, aimed at achieving a better balance of economic activity between rural and urban areas and a more equitable distribution of the facilities and institutions required to help individuals participate more fully in economic life.

Conclusion

From the perspective of January 1969, the Nation's manpower program needs are perceived as vastly more complex than could be foreseen at the outset of the decade. Among the perplexing new insights is a more realistic appreciation of the depth and complexities of the disadvantages suffered by a distressingly large number of citizens.

Though the unfinished manpower agenda remains sizable, and by no means have all the problems of conception, organization, and program

design yet been solved, a sure course has nonetheless been charted. With persistence in pursuing this course, with compassion for those less fortunate than the majority, and with determined and imaginative program management, America can afford all of its people a genuine opportunity—which necessarily includes the capability—to participate in the country's affluence.

PART III.

MANPOWER RESEARCH AND EXPERIMENTATION

MANPOWER RESEARCH

In the manpower activities described in this volume, manpower research has been a program in its own right—and a seminal one. The Congress wrote into the first title of the Manpower Development and Training Act of 1962 not an outline for training programs but a directive that the Secretary of Labor establish a comprehensive manpower research program. He was charged with the responsibility to ". . . evaluate the . . . changes in the structure of production and demand on the use of the Nation's human resources . . ." and to develop the additional information and insight needed to guide effective manpower policies and programs. This authority gave new dimensions to manpower research.

The Department of Labor had for a long time carried out research on employment, unemployment, productivity, wages, the job market, and so forth. These data were often used as economic indicators and in the formulation of economic and employment policies. With the advent of a more active manpower policy emphasizing education, training, and retraining to facilitate the matching of workers and jobs, research was to become a fundamental program resource as well. These circumstances called for the reorientation and expansion of research.

The new directions took research on manpower problems beyond the traditional bounds of labor relations and labor economics to encompass methods and insights from many other social sciences. As the findings of research on manpower problems were developed, the prevailing emphasis on the economic approach proved too simplistic. With policies extended beyond full employment and price stability to encompass the personal as well as the economic aspects of unemployment, there was a growing need to relate sociological and psychological knowledge to economic analysis. Moreover, the manpower problems which were being attacked simply did not fit into neat disciplinary pigeonholes. The successful training and placement of disadvantaged workers, for example, called for information on the job market; the workers' cultural backgrounds; their values, beliefs, and expectations; and employer attitudes, to name a few of the essentials. Hence, it was necessary to attract sociologists, psychologists, political scientists, and anthropologists to join economists in applying the theories and methods of their disciplines to the study of man in the world of work. The application of behavioral and social science methods in manpower-related research brought fresh insights to old problems and added strength to investigations of new and emerging issues.

Initially, the chief source of this expansion in manpower research was funds made available under the MDTA. These funds were never large in proportion to the cost of the MDTA training programs, rarely exceeding 1 percent of the total. The research program was again slightly enlarged when the Department was delegated responsibility for research connected with the work-experience and training programs authorized by the Economic Opportunity Act and the 1967 welfare amendments to the Social Security Act.

Most of the social scientists whose services were enlisted to expand this research were employed in universities and private research organizations. Reliance on such investigators is virtually a necessity in social science research, because the entire Federal Government employs only about a tenth of the Nation's social scientists. In 1966, according

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to the National Science Foundation, the Government employed 4,100 economists; 2,300 statisticians; 3,200 geographers and cartographers; 1,900 psychologists; and 2,400 in other social science fields.[1]

Yet one of the earliest "discoveries" of the MDTA research program was that the number of social scientists in the private sector who were available for manpower research was very small. Moreover, new legislation in such related fields as health, poverty, and education represented a further drain on these scarce resources. Hence, the Department sought and received authority in 1965 to establish a program of research grants for the purpose of developing manpower scholars.

During fiscal year 1966, the Department initiated one program of small grants to postdoctoral researchers to develop innovative research or design research projects and another small grant program for graduate students who wanted to write their doctoral dissertations on manpower subjects. In addition, the Department began a grant program which enabled seven schools—Atlanta University, Iowa State University, the University of Maine, North Carolina State University, Oklahoma State University, Temple University, and Virginia State College at Norfolk—to conduct research and train young researchers in the manpower field.

By the end of the 1967–68 academic year, the seven universities had given about 100 research assistantships or fellowships to graduate students specializing in manpower. Of these, 28 had received master's degrees and five had received their doctorates. Small grants for dissertation research on manpower subjects had been awarded to 95 doctoral candidates, of whom 18 had thus far earned their Ph. D.'s. These grant programs were recently characterized by Eli Ginzberg, Chairman of the National Manpower Advisory Committee, as "one of the great successes of the Department of Labor's modest research effort. . . . These funds, together with contract money, have helped to place the field of manpower in a more prominent position in many universities and have helped to attract and retain personnel in this burgeoning field." [2]

[1] *Scientific and Technical Personnel in the Federal Government, 1966* (Washington: National Science Foundation, 1968), NSF 68–16.

[2] *Federal Manpower Programs—An Evaluation by the National Manpower Advisory Committee* (Washington: U.S. Department of Labor and U.S. Department of Health, Education, and Welfare, 1968), p. 11.

The remainder of this chapter emphasizes the major research studies that were conducted on selected subjects under these contract and grant programs. However, many other Federal agencies have conducted or sponsored studies of one or another aspect of manpower problems in relation to their particular missions. The National Science Foundation and various agencies of the Department of Health, Education, and Welfare provide notable examples of this kind of study. The contributions of such studies are discussed where they are relevant to the theme developed here, but there is no attempt at an exhaustive review of Federal manpower research activities. For example, compilations of data derived from statistics on program operations are excluded, no matter how significant they may be. So are established series of economic statistics related to manpower, although developmental studies for use in series of this kind are included.

Because manpower research has been heavily oriented toward use of the results for the improvement of policies and programs, the studies were selected with this in mind. The subjects covered reflect two areas of concentration. The first is the research response to the mandate of the Manpower Development and Training Act that the Secretary of Labor shall report to the President on the Nation's manpower requirements and resources and on the utilization and training of its workers. The second is the research on the nature and effect of the barriers to equal employment opportunities associated with the malfunctioning of institutions developed to educate, train, and place workers on jobs.

The first theme is developed in three major sections of the discussion. The lead section, on manpower resources and requirements, deals with the growing sophistication of the measures of the supply of workers and labor demand, and their expansion to key occupations in which shortages were emerging and to individual communities that needed such measures for the planning of training and vocational education. This section also sketches the changing perceptions coming from research on the effects of technological change on manpower requirements. The second section, on joblessness, underemployment, and low earnings, discusses the new measures of underutilization of workers which were developed as it became increasingly apparent that unemployment was merely one—albeit the most severe—form of underutilization. The third

section—occupational training—covers the research underlying many of the programs of training and occupational education that have been established during the past 6 years.

On the second theme, the first section concerns the inefficiencies in the operation of the job market which hinder the matching of workers and jobs and those employment and personnel practices that can—either inadvertently or intentionally—bar certain groups of workers from jobs that they could perform. The second discusses the extent of the resulting discrimination in employment.

Throughout the discussion, the emphasis is on those findings that reveal possibilities for improving manpower programs and deepening the perceptions of problems that underlie manpower policy. Other evidence that research has figured importantly in efforts to cope with manpower problems is scattered through earlier chapters of this report. A brief recapitulation of some of the more important purposes served by manpower research is in order.

—Research deserves part of the credit for five amendments to the Manpower Development and Training Act: three in 1963 which extended and liberalized training allowances to give greater incentives to unemployed workers who had severe handicaps in the job market; and two—in 1965 and 1966—which were designed to alleviate the employment problems of released prisoners through programs for training in correctional institutions and for bonding where this was required for employment.

—Illustrative applications of research findings in manpower programs include programs by the Departments of Defense, Labor, and Health, Education, and Welfare for the rehabilitation of young men rejected for selective service; a joint Defense-Labor program of counseling and placement assistance for military retirees; an apprenticeship outreach program which has, in the past 2 years, almost doubled the number of Negro and other minority youth in apprenticeship; the use of information on manpower requirements in the planning of educational and training programs; and the Concentrated Employment Program, which is based in part on studies of sub-employment in slum areas.

—A notable private application of research findings is found in the creation of two information exchanges to help in the matching of jobseekers and job opportunities among college and university teachers.

—The incremental nature of manpower research is demonstrated by several projects which built on the results of earlier research. For example, a study of unemployed workers showing the random and inefficient nature of their job search gave rise to a study of the effects of providing them with information on employers who were known to employ workers with their skills.

—Research has greatly expanded the literature on manpower problems. More than a dozen books have been published as a result of manpower research studies, and these studies have also been the source of countless articles in professional journals, research monographs, popular pamphlets, and the like.[3]

Encouraging as this record is, it could be better, even with due recognition that overemphasis on immediate returns may divert research resources from more basic work which would ultimately permit more rational choices when changes in policy are in order. The experience of the Department of Labor in conducting a manpower research program underscores the fact that a neglected area of research in the social sciences concerns the process of bringing knowledge to bear in decisionmaking.

Although there is often a gap between the policymaker and the researcher, parallels are not found in the social sciences for the engineers, nurses, soil technicians, and others who have been instrumental in the practical application of physical and biological knowledge. A few universities are beginning to develop plans for training specialists in the application of social science research, and studies are needed to insure that the curriculums are on target. Every step in the process by which the findings of a research project may be translated into practice deserves exploration. The investigation should explore such questions as how the design of research can contribute to ultimate use of the results and how administrators can be

[3] All reports on research sponsored by the U.S. Department of Labor, Manpower Administration are available from the Clearinghouse for Federal Scientific and Technical Information, Springfield, Va. 22151, at $3 for a paper copy or 65 cents for microfiche. The accession numbers, which should be specified on orders, are given in the bibliographic footnotes on such reports in this chapter.

influenced to use results. Knowledge of this kind would contribute importantly to the development of strategies and tactics for more effective utilization of research.

Many other recommendations with respect to future directions of research are included in the discussion which follows. These do not represent a comprehensive research agenda because of the selective coverage of this chapter. The important omissions include such subjects as the employment problems of young workers and individual motivations, aspirations, and attitudes toward work.

In establishing the order of priority for future manpower research, both the state of knowledge reached through earlier research and newly emerging research needs should be taken into account. The first choices must be aimed at meeting deficiencies of knowledge which hamper present efforts to alleviate urgent manpower problems. But at the same time it will be necessary to develop the insights required for satisfactory progress toward the ultimate goals of manpower policy.

Two areas that will, in the immediate future, receive priority in the allocation of the Department of Labor's research resources are those specified by the 1968 amendments to the Manpower Development and Training Act. First, these amendments call for the development of a comprehensive system of job market information on a national, State, or local basis—geared to the administration of many Federal programs. Much developmental research will be necessary to supplement the body of relevant data already available from Labor Department studies and other sources and to bring these together into an integrated system.

The second legislatively determined priority is an investigation of seasonal unemployment in the construction industry—an activity that accounts for about one-eighth of unemployment in the course of a year.[4] This study, to be conducted jointly by the Departments of Labor and Commerce, will build upon the exploration of the problem which the two departments undertook at the President's direction in the *1967 Manpower Report*. The new study will attempt to determine to what extent and by what means seasonal unemployment can be reduced in this industry without substantial increases in construction costs.

[4] "Seasonality and Construction," *Monthly Labor Review*, September 1967, pp. 1–8.

New methods, new machines, new products—long recognized as major contributions to improving levels of living, especially in times of economic expansion—were arousing deep concern during the 1950's and early 1960's. Both experience and forecasts led to the fear that technological improvements would produce drastic job displacement, obsolescence of skills, shrinking opportunities for unskilled workers, the decline and decay of some industries, and unusual stresses in industrial relations. At the same time, the persistence of serious shortages of manpower in some essential occupations was recognized as a brake on economic progress. These circumstances, coupled with the prevailing high rate of unemployment, underscored the need for an objective assessment of these trends. There was, moreover, recognition that economic and personal adjustments to change required information concerning future as well as current job opportunities.

Thus it was that title I of the MDTA directed the Secretary of Labor to appraise the manpower requirements and resources of the Nation, and to develop and apply the information and methods needed to deal with the problems of unemployment resulting from automation and technological changes. Although the Department of Labor had for many years collected data and conducted research on these subjects, this directive stimulated research on the outlook for technological change in major industries, the underlying management decisions, and techniques for facilitating adjustment to change.

As the results of these studies came in and economic expansion reduced unemployment to more tolerable levels, automation and technological change came to be seen as less of a threat. Instead, hope that the growth of productivity associated with such change would spur further expansion of employment and support a continued rise in living standards turned research attention to manpower requirements in areas of unmet economic and social need, such as the improvement of education and health. The need for continued technological progress dictated continuing studies of technological change. Bottlenecks created by manpower shortages also received more intensive scrutiny.

AUTOMATION AND TECHNOLOGICAL CHANGE

The Impact of Changing Technology

The changing perceptions of the effects of technological change on the economy were reinforced by the National Commission on Technology, Automation, and Economic Progress, which reported to the President in early 1966 that "there has not been and there is no evidence that there will be in the decade ahead an acceleration in technological change more rapid than the growth of demand can offset, given adequate public policies." [1] Increased unemployment, the Commission said, could be averted by aggressive fiscal and monetary policies to stimulate growth, coupled with an active manpower policy to improve the employability of the disadvantaged.

The Commission's report had brought together information from research by the Department of Labor and other sources.[2] A few examples of the kinds of research available to the Commission suggest the breadth of its investigation.

A broad view of technological developments in major industries underscored the complexity and variety of changes that were occurring and that made generalization about the extent and outlook difficult.[3] The computer and automation constituted only a few of the great changes. Other technological changes—containerization in shipping, shift to synthetic textiles, prefabrication in construction, for example—have, in toto, greater impact. Studies of output per man-hour in different industries emphasized the great variation in growth rates, which in turn reflected the variety of economic circumstances and technological advances among industries.[4]

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[1] *Technology and the American Economy, Report of the National Commission on Technology, Automation, and Economic Progress* (Washington: U.S. Government Printing Office, 1966), p. 109.

[2] The Bureau of Labor Statistics of the Department of Labor has been responsible for much of the research in this field. A number of the studies have been published as BLS Bulletins while summaries of others have appeared in various issues of the *Monthly Labor Review*.

[3] *Technological Trends in Major American Industries* (Washington: U.S. Department of Labor, Bureau of Labor Statistics, 1966), BLS Bulletin No. 1474.

[4] *Indexes of Output per Man-Hour in Selected Industries, 1939 and 1947–66* (Washington: U.S. Department of Labor, Bureau of Labor Statistics, 1967), BLS Bulletin No. 1572.

The impact of technological change on employment has also varied from industry to industry, and from establishment to establishment, as well as with the type of change. Studies of specific instances of technological change frequently showed little displacement of labor, but considerable adjustments within the plant. Normal attrition was often the answer to reduced manpower requirements, without layoffs. In some cases, simultaneous growth in output actually increased employment. On the other hand, major displacement occurred in some instances—such as in coal mining, agriculture, and railroads. Even such massive labor displacement, however, cannot be considered wholly due to technological change, since competition from new products or services—in some cases new industries—also had major impact. Each case must be analyzed separately unless a typology can be established.

Some studies suggested also that the full impact of change is not confined to the place where automated equipment is installed or new methods developed. Closing a high-cost, obsolete plant in many cases affected an entire community or region. Case studies of 3,000 workers in five plants showed that reemployment often took long periods of time, particularly for older workers, women, Negroes, and unskilled workers, and that many of them failed to find new employment.[5] Measures to avoid mass layoffs and to assist displaced workers became important in preventing such unemployment.

The fear that automation would bring about massive displacement of unskilled workers and a sharp upgrading of the occupational structure of employment was not, however, borne out. Studies of computer installations in insurance and government, for example, showed some reduction in requirements for certain types of routine clerical workers, and a small number of new jobs for programers, system analysts, and console operators, supported by a staff of key-punch operators.[6] In metalworking industries, numerical control required parts programers and skilled maintenance workers. In the rapidly expanding health services and engineering functions of communications equipment, technological changes along with growth opened up new opportunities for technical personnel. Less advanced changes, such as mechanization in the textile and paper industries, put greater emphasis on machine monitoring and less on manual handling and, in some plants, caused a slight upgrading of the job structure.

Preliminary data from an ongoing study of employer personnel policies in a large metropolitan job market area[7] show substantial modernization of plant and equipment in the larger firms of all industry groups between 1960 and 1966. A sizable majority reported an increase in their total employment, largely because of expansion in demand, and about one-third reported significant changes in the occupational composition of employment, associated in most cases with technological change or efforts to increase productivity.

When conversion to or intensified use of electronic data processing was involved, increased employment of relevant types of workers was likely. On the other hand, modernization of equipment other than for data processing was apt to decrease the number of workers within the occupations involved. The occupations most frequently affected by changes in the structure of employment were in the professional and technical group, which almost invariably increased its share of jobs.

Adjustments to Technological Change

Several of the studies reviewed above highlighted the importance of employee training and retraining for the successful introduction of technological change. The more advanced, complex changes, such as the introduction of computers in office work or process controls, and numerical control of machine tools, required extended formal classroom instruction of the employees involved, together with on-the-job training. Mechanization of materials handling, on the other hand, involved only brief on-the-job instruction. Some studies

[5] *Case Studies of Displaced Workers* (Washington: U.S. Department of Labor, Bureau of Labor Statistics, 1964), BLS Bulletin No. 1408.

[6] *Impact of Office Automation in the Internal Revenue Service; Impact of Office Automation in the Insurance Industry* (Washington: U.S. Department of Labor, Bureau of Labor Statistics, 1963 and 1966), BLS Bulletins Nos. 1364 and 1468; *A Large Life Insurance Company Automates: Workforce Implications of Computer Conversion* (Madison, Wis.: Wisconsin State Employment Service, 1964), U.S. Employment Service Automation Report No. 3.

[7] "A Study of Employer Policies in a Large Metropolitan Labor Market Area" by Margaret S. Gordon (Berkeley, Calif.: University of California, Institute of Industrial Relations, under contract with U.S. Department of Labor, Manpower Administration, in process).

showed that retraining for new jobs placed new stresses on older workers.

Exploration of other features of the adjustment process within plants and offices demonstrated the feasibility of phasing the introduction of automation so that jobs are eliminated by normal turnover and layoffs are kept at a minimum.[8] Moreover, the long leadtime for installing automatic equipment often afforded managements and unions opportunities for planning in advance measures to cushion the impact on employees. Advance notice, retraining, severance pay, early retirement, transfer rights, and seniority provisions all played important roles in an orderly adjustment to change. Some of the difficult problems that arose concerned transfer and retraining of older workers, setting of wages on new jobs, and determination of seniority rights.

PROJECTIONS OF MANPOWER NEEDS

As the country has moved toward a more active manpower policy, projections of manpower requirements and supply have become increasingly important. The MDTA required that training be given only in occupations in which there is "a reasonable expectation of employment." Moreover, the Vocational Education Act of 1963 called on State Employment Services to provide "occupational information regarding reasonable prospects of employment in the community and elsewhere." Subsequently the 1968 amendments to the Vocational Education Act made specific provision for Department of Labor studies and projections of manpower needs on a national, regional, State, and local basis. Such projects will be an important part of the comprehensive information system which the Department of Labor is directed to set up under the 1968 MDTA amendments.

Department of Labor research has provided a wide variety of information not only on overall manpower supply and requirements and prospective need for persons in specific occupations, but on the techniques and methods of making projections.[9] This section is concerned primarily with the development of new techniques for projections on a national, State, and local basis. Actual projections are discussed in part I of this report.

National Projections

Making projections of national requirements involves a close look at trends in the level and characteristics of economic activity, consumption patterns, composition of the labor force, industry production, and employment by occupation within each industry. Progress has been made during the 1960's in improving and expanding the data, integrating the work of the agencies involved, and improving methods and techniques.

The Interagency Economic Growth Study Project was started by the Department of Labor, in cooperation with other Government agencies and private research organizations, to expand and integrate the framework for analyzing the implications of long-term economic growth for a number of economic problem areas, particularly manpower utilization.[10] The Department applied analyses of consumer expenditures, investment expenditures, and input-output relationships among industries in a systematic approach to projections. Input-output tables (developed by the Department of Commerce) were used to show both the direct and indirect impact of changes in demand of one part of the economy on other parts. By linking employment to projections of demand for particular goods or services, this technique permits comparison of alternative employment needs based on different patterns of economic change.

In 1966, projections of industry requirements for 1970 were published using these more advanced

[8] *Manpower Planning to Adapt to New Technology at an Electric and Gas Utility* (Washington: U.S. Department of Labor, Bureau of Labor Statistics, 1965), BLS Report No. 293; *Manpower Planning for Technological Change: Case Studies of Telephone Operators* (Washington: U.S. Department of Labor, Bureau of Labor Statistics, 1966), BLS Bulletin No. 1574.

[9] The Bureau of Labor Statistics, the Bureau of Employment Security, and the research office of the Manpower Administration have been primarily responsible for the Department's projections. Various divisions of the Department of Health, Education, and Welfare, the Department of Agriculture, and several other agencies have also made projections.

The Department of Labor also issues a wide variety of publications on occupations for use in vocational counseling. The *Occupational Outlook Handbook*, published biennially since 1940, now describes the content, working conditions, and outlook for over 700 occupations. In 1966, the third edition of the *Dictionary of Occupational Titles*, covering 21,741 occupations, made it easier to relate job requirements to worker qualifications by grouping occupations according to combinations of required knowledge, purpose, industry, material worked with, product and/or service, as well as worker traits.

[10] "Studies of Long-Term Economic Growth," *Monthly Labor Review*, August 1965, pp. 983–987.

interindustry techniques developed by the Interagency Growth Study Group.[11] This particular study was based on the estimated growth patterns for 86 separate industries.

More recently, projections of national occupational requirements for 1975, along with comparable 1960 data (using these techniques combined with those used in the Department of Labor's detailed analyses of the various factors affecting industry, occupational employment, and labor force), have been made in much greater detail—for occupational classifications in about 155 industries and industry groups.[12] These projections, expected to be updated periodically, are currently being extended to 1980. Published for the first time will be detailed death and retirement rates by age, sex, and occupation, which are necessary to provide good estimates of replacement requirements.[13] The publication will also present the results of research on the growth and changing composition of the population and labor force, the relative growth of industries, the effect of automation and other technological changes and economic factors on industry employment, the occupational structure of industries, patterns of working life, and techniques for appraising the supply of workers having various skills.

The projections are based on the assumption that no new major programs or goals will be adopted beyond those contemplated in legislation existing at the time of the projections, but that past growth trends will continue. They also assume that defense expenditures will be consistent with the levels of the late 1950's and early 1960's, and that unemployment will decline to 3 percent.

State and Local Projections

Below the national level, account must be taken of the vast differences in economic conditions and outlook in different areas and the barriers that impede interarea adjustment. State Employment Services have often used their Skill Surveys and Training Needs Surveys to obtain this kind of local information. These studies draw on knowledge of business prospects and plans based primarily on employers' estimates of their own future requirements, which may not take into account the establishment of new firms and which do not necessarily rest on a common set of economic assumptions.

A relatively simple and less costly alternative has been developed and tried that uses Employment Service data on unfilled job openings and occupational outlook information.[14] However, this approach is of limited use except for those occupations in which jobs are likely to be registered with the Employment Service.

The Department of Labor's report on occupational requirements for 1975, mentioned above, provides, in addition to the national data, information on techniques for using the national employment trends and projections as a tool for developing estimates of State and area manpower needs, by industry as well as occupation. One method is related to the national matrix, the second to the development of a local matrix using census data. The study also presents information and methods for estimating occupational replacement needs and labor force participation by States, and discusses several approaches to appraising the adequacy of supply in individual occupations.

A companion handbook[15] is being prepared for the use of State employment security agencies, spelling out in detail suggested procedures for applying the methods and the national statistics described in the national study, as well as other techniques, to State and local occupational projections. Two methods of projecting employment are discussed: One using the national matrix; the second based on the development of local industry staffing patterns through an employer survey and of the State's or area's own regression matrix model, in lieu of the local matrix using census data. (Several experimental and technically complex models for local areas have been developed under

[11] *Projections 1970: Interindustry Relationships, Potential Demand, Employment* (Washington: U.S. Department of Labor, Bureau of Labor Statistics, 1966), BLS Bulletin No. 1536.

[12] "Tomorrow's Manpower Needs—National Manpower Projections and a Guide to Their Use as a Tool in Developing State and Area Manpower Projections" (Washington: U.S. Department of Labor, Bureau of Labor Statistics, in process).

[13] The primary source for female accession and separation rates is *Work Life Expectancy and Training Needs of Women* (Washington: U.S. Department of Labor, Manpower Administration, 1967), Manpower Report No. 12.

[14] "Occupational Job Requirements: A Short-Cut Approach to Long-Range Forecasting," *Employment Service Review*, January–February 1967, pp. 61–64.

[15] "Handbook for Projecting Employment by Occupation for States and Major Areas" (U.S. Department of Labor, Bureau of Employment Security, in process).

research contracts with the Department.[16]) The State or area model, while more expensive and time consuming, should permit greater accuracy and more detailed occupational data, important factors in developing training and related programs. The new handbook will also present procedures for making labor force projections and estimating replacement demand by occupation and sex, using age-sex specific separation rates and employment projections.

Manpower Requirements for National Goals

Going beyond the projections of manpower needs based primarily on economic and demographic trends, a study by the National Planning Association for the Department of Labor undertook to estimate the manpower requirements for achieving an illustrative set of 16 national goals.[17] The goals are those formulated in 1960 by the President's Commission on National Goals, modified to take account of subsequent changes in legislation and similar matters. The goals cover all sectors of the economy: National defense, urban development, area redevelopment, transportation, international aid, housing, agriculture, education, health, manpower retraining, natural resources, private plant and equipment, research and development, social welfare, space, and consumer expenditures.

This study is a companion to an earlier NPA study which showed that the total cost of achieving all of the goals in 1975 would amount to about $150 billion (in 1964 prices) more than the probable gross national product, assuming virtually full employment and an average growth rate of about 4½ percent.[18] Similarly, the NPA estimated that the civilian labor force would fall some 10 million short of the manpower required for attaining all the specified goals simultaneously by 1975. So long as the United States vigorously pursues such goals, it is likely to have too little rather than too much manpower. Therefore, manpower problems would involve the upgrading of education, job training, fuller utilization of individuals' potentials, and improved mobility.

Even so, choices would have to be made among the goals by all those whose decisions determine society's aims. These decisions, the NPA study shows, would significantly influence employment opportunities in different occupations. Emphasis on goals in urban development or transportation, for instance, would result mostly in jobs for blue-collar workers, whereas priority for objectives in health and education would center on white-collar workers and would require much more advance planning for training additional professional and technical workers. The choice of goals would also have varying effects on employment of men versus women and nonwhite versus white workers. Choosing the national goals to be pursued therefore becomes an essential step in considering new manpower policies and programs.

Exploratory applications of the techniques developed in this study are being pursued by the National Planning Association at the behest of the Department of Labor. One pilot study, for example, is probing manpower requirements for different levels of programs to further improve the socioeconomic status of the poor.[19]

ASSESSMENT OF LABOR SHORTAGES

The President in his *1966 Manpower Report* said that while there was no overall shortage of labor, "Specific shortages of labor can slow up the expansion of the economy. They can put pressure on costs and prices. We are determined to do whatever is necessary to keep the economy expanding and avoid inflationary bottlenecks." And one of the actions he called for was the inclusion in the

[16] *Methodology for Projection of Occupational Trends in the Denver Standard Metropolitan Statistical Area,* by L. Fishman, W. E. Roberts, C. M. Franks, and W. W. McCormick, University of Colorado, under contract with U.S. Department of Labor, Manpower Administration, 1966 (PB 177325); and *Projective Models of Employment by Industry and by Occupation for Small Areas: A Case Study,* by Louis T. Harms, Temple University, under contract with U.S. Department of Labor, Manpower Administration, 1966 (PB 177414). Another study now underway intends to develop a model system for occupational and employment data, and relate such data to factors affecting vocational education: "Development of a Model System of Occupational and Employment Information Under the Vocational Education Act of 1963" (Bureau of Employment Security, under contract with U.S. Department of Labor, Manpower Administration, in process).

[17] *Manpower Requirements for National Objectives in the 1970's,* by Leonard A. Lecht, National Planning Association, under contract with U.S. Department of Labor, Manpower Administration, 1968 (PB 177821).

[18] Leonard A. Lecht, *Goals, Priorities & Dollars: The Next Decade* (New York: The Free Press of Glencoe, 1966).

[19] "Manpower Implications of Alternative Priorities for Coping with Poverty" (Washington: National Planning Association, under contract with U.S. Department of Labor, Manpower Administration, in process).

Department of Labor's employment reports of ". . . the fullest possible information on existing or threatening labor shortage situations."

Information on current job opportunities is potentially the most effective measure of labor shortages. For this reason the Department of Labor intensified its pilot programs of collecting such data, and is preparing to publish them regularly.

At the same time, research has gone forward on critical occupational shortages, most of which were in rapidly expanding fields that require prolonged education or training, such as professional, scientific, and technical workers, teachers, skilled craftsmen, and both professional and subprofessional workers in the health field.

Job Opportunity Data

While the Government has amassed a variety of data on labor demand and supply, it is just developing broader statistical series on unfilled jobs. The great potential use of such data in planning programs for the better matching of workers with jobs and in analyzing economic conditions led the President's Committee to Appraise Employment and Unemployment Statistics, in 1962, to recommend the establishment of such a series.[20]

In the years since this Committee reported, the Department of Labor and affiliated State employment security agencies have done much experimental research on measuring job opportunities. The Department's work in this field benefited from a 1965 conference arranged by the National Bureau of Economic Research with the Department's financial assistance. This conference brought together people engaged in the collection and interpretation of job vacancy data in other countries with those who had been working on developing similar data in the United States.[21] The agenda covered a wide spectrum of questions including the feasibility of collecting such data in the United States; the kinds of data that would be most useful; the interpretation and use of such information; and the advantages and limitations of substitute measures like the help-wanted index of the National Industrial Conference Board or nonfarm job openings reported to the Employment Service.

Discussion at the conference indicated that vacancy data in foreign countries usually rested on compulsory reporting of job openings, a policy not followed in the United States. Reports on experimental studies here showed that, despite some difficulty, such data could be collected and would be of use to firms as well as government forecasters and those responsible for placement and programs for improving job market operations. Difficulties in collection have been the subject of further pilot project experimentation.

The experimental data have already stimulated some analytical discussion and program action. In the particular areas where the data were collected, the information has been used in planning training under the MDTA and the Vocational Education Act of 1963. Potential uses and analytical problems have been discussed in a number of papers.[22] One analysis of data for 1966 and earlier years explored the significance of short-term versus long-term unfilled openings at various skill levels, and their relationship to unemployment levels and wage rates for existing openings.[23] A subsequent analysis showed that: (1) The levels of job openings and unemployment are inversely related but the rates do not change consistently; (2) the two sets of data together provide insights into local economic conditions not evident from either set alone; (3) comparison with labor turnover data may aid in the analysis of job opportunity data by throwing light on such matters as the cancellation or filling of vacancies; and (4) the average duration of job opportunities may be a pivotal figure.[24]

Another recent study of the analytical possibilities of job opportunity statistics was concerned

[20] *Measuring Employment and Unemployment* (Washington: U.S. Government Printing Office, 1962).

[21] *The Measurement and Interpretation of Job Vacancies, A Conference Report of the National Bureau of Economic Research,* under contract with U.S. Department of Labor, Manpower Administration (New York: Columbia University Press, 1966).

[22] These include the following Government papers: *Job Vacancy Statistics, A Report of the Subcommittee on Economic Statistics of the Joint Economic Committee* (Washington: 89th Cong., 2d sess., Committee Print, 1966), which was based in part on testimony by officials of the Bureau of Employment Security and the Bureau of Labor Statistics; "The Use of Job Vacancy Data in Evaluating Labor Shortage" by Howard Stambler, "Job Vacancy Surveys in the U.S.: The Department of Labor Experimental Program" by Harold Kuptzin, and "Potential Analytical Uses of Job Vacancy Data" by Irvin F. Wingeard, presented at the Interstate Conference on Labor Statistics in Toronto, Canada, on June 15, 1967; and "Identification and Correction of Manpower Shortages," presented by Arthur M. Ross at the International Conference on Employment Stabilization in a Growth Economy, sponsored by the Organisation for Economic Co-operation and Development in Munich, Germany, October 24–27, 1967.

[23] See *1968 Manpower Report,* pp. 70–72.

[24] "Analysis and Use of Job Vacancy Statistics," *Monthly Labor Review,* August 1968, pp. 22–31 and September 1968, pp. 18–21.

chiefly with individual firm reports, rather than area data, and thus added a new analytical dimension.[25] This report provided some assurance of the reliability of the data collected: there were logical internal consistencies between the firms' reported job openings and their turnover, growth in employment, overtime, and so forth. The report also furnished evidence that job opportunity data are valuable in explaining movements in wage rates and have a promising potential, when combined with other job market data, as measures of the relative importance of frictional and cyclical sources of unemployment.

Beginning in January 1969, the Department will collect job opportunity data along with labor turnover data monthly or quarterly in 62 Standard Metropolitan Statistical Areas. Publication of the job opportunity data will begin as soon thereafter as possible. These publications will respond to the directive in the 1968 amendments to the MDTA that the Department of Labor, as part of the developmental work on a comprehensive system of job market information on a national, State, and local level, ". . . develop and publish on a regular basis information on available job opportunities throughout the United States. . . ."

Shortages of Professional Personnel

Much of the research on shortages of professional personnel has been related to the various programs of education and training for such workers. Scientific and technical personnel, teaching professionals, and health manpower, in particular, have been the subject of considerable concern.

Before the research in these three fields is reviewed, it is pertinent to examine a study of the career decisions of college students, which greatly influence the supply of all high-level manpower. This study of occupational choice by some 2,800 college students revealed that, while careers are usually chosen during college years, decisions are for the most part alterable, if new information becomes available.[26] Although the major consideration appeared to be interest in the work, income tipped the balance in decisions between a chosen career and its closest alternative. The postcollege job market for students, it was concluded, operates in the classical manner, with salaries adjusting to supply and demand and students responding rapidly to changes in the balance. It would appear that shortages in specialty fields are likely to be shortrun, with lag in supply due to time needed for training. Raising salaries will, within the period needed for training, increase the number of specialists in any particular field.

As a direct result of this study, the Department of Labor and the National Science Foundation are jointly funding a study by the same investigator of the factors affecting the demand for scientists, engineers, and technicians and methods of forecasting changes in that demand.

Scientific and Technical Personnel. The changing impact of Federal Government funds for research and development and for support of science and engineering education and education in general, the effect of defense efforts, the continued increase in enrollments and degrees in science and engineering fields, and the growing complexity of the economy have all stimulated a growing concern about the limited, and limiting, resource of scientific and technical manpower.

The National Science Foundation has carried on a general program of studies and surveys on subjects related to scientific and technical manpower, both with its own staff and through grants and contracts with other Federal agencies, universities, and nonprofit organizations. In addition, the Foundation acts as a focal agency for the development of a national program of information on scientific and technical personnel. It assumes general leadership for the planned and coordinated development of statistics in this field.

One of the major programs of the Foundation in this area is the operation of the National Register of Scientific and Technical Personnel—a major source of information on scientific and technical manpower. Register data have been useful in formulating science policies and planning operations. They have also been a basic resource for economic and sociological studies—for example, longitudinal analyses of such subjects as geographic mobility, employment and career patterns, and changing characteristics of the scientific community.

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[25] *Job Vacancies in the Firm and the Labor Market*, by John G. Myers, National Industrial Conference Board, under contract with U.S. Department of Labor, Manpower Administration, 1968 (PB 179864). A number of articles based on this study have appeared in the NICB *Record*, beginning in early 1967.

[26] *The Labor Market for College Manpower*, by Richard B. Freeman, Harvard University, under grant from U.S. Department of Labor, Manpower Administration, 1968 (PB 178704, ch. 1–4; PB 178705, ch. 5–9).

A second series of studies is concerned with several dimensions of the education of scientists and engineers. One major group of studies is related to the analysis of the flow of trained manpower from colleges and universities into further training or directly into the labor force. Followup studies of graduating classes have been undertaken to determine training and career patterns. Another group of studies has been concerned with the characteristics and work activities of teachers of science, engineering, and mathematics at the secondary, junior college, and university levels.

A third category of studies includes projects designed to furnish information on the characteristics of the employment of science and engineering manpower—industry, work activity, salaries, etc.; factors affecting the utilization and employment of such personnel; the means by which trained manpower enters employment in various scientific and technical activities; and projected needs for scientific and technical personnel and the factors affecting this demand.

Periodic surveys by several organizations, including the National Science Foundation, provide basic information on the employment of scientific and technical personnel in various sectors. For the largest sector of employment, private industry, the Department of Labor has been the primary collector of data.[27] Periodic information on Federal employment of scientists has been provided by the Civil Service Commission's survey of white-collar employment. Every few years, the National Science Foundation has surveyed scientific and engineering employment by universities and colleges and miscellaneous nonprofit organizations in the United States.

Several key findings have emerged from this program of studies and research. The multiple effects of various Federal programs on scientific and technical manpower are perhaps the outstanding development of recent years. Federal agencies, through support of research and development and science and engineering education programs and through funding many other activities (for example, construction and procurement), influence the training, career choices, and employment of a large proportion of the Nation's science and engineering population. It is estimated that about one-fourth of all scientists and engineers and about one-half of all research and development personnel are working on programs supported by Federal funds; about one-half of the support provided to graduate students in these fields is from Federal sources.

Another general set of findings from manpower studies and research in this area is concerned with the flexibility of conditions surrounding the education, employment, and careers of scientific and technical personnel. Although there are established curriculums for the various specialties within science and engineering, many students change their field during the course of their higher education. Changes among science disciplines are particularly common, but many crossovers occur between engineering and science and between these and other fields as well. The career patterns of scientists and engineers, even those trained to the doctorate level, indicate a considerable amount of switching of activities, employers, and geographic location. A recent study of the careers of persons holding doctorates reveals the following findings:[28]

1. One-half of the Ph. D.'s spent their entire careers in academic employment and one-fourth in nonacademic work. The remaining one-fourth were divided between those who switched into education and those who switched in the opposite direction.

2. Of those who switched, the activity of the former position (teaching, research, etc.) was related to the new position. It appears that a decision to teach or to avoid teaching is an important determinant of career patterns of Ph. D.'s.

The Teaching Profession. During most of the 1960's a shortage of teachers has existed at various levels and in many fields of specialty. Studies by several organizations have highlighted the need for additional teachers. They have documented the lag in teachers' salaries and analyzed the probable effect of new programs designed to increase the supply of specialized teachers, improve the caliber of the profession, and extend teachers' usefulness.

In the *elementary and secondary schools* the severe shortages of earlier years have been mitigated somewhat, but deficiencies continue. Surveys of State departments of education and of the Nation's largest public school systems in mid-1967

[27] *Employment of Scientific and Technical Personnel in Industry, 1962* (Washington: U.S. Department of Labor, Bureau of Labor Statistics, 1964), BLS Bulletin No. 1418.

[28] *Careers of Ph.D's—Academic vs. Nonacademic: A Second Report on Followup of Doctorate Cohorts, 1935–1960* (Washington: National Academy of Sciences, 1968), Publication 1577.

indicated shortages of qualified teacher applicants in 44 of 45 reporting States and 55 of the 575 school systems.[29] Areas of particularly short supply were mathematics, sciences, industrial arts, and, to a lesser degree, women's physical education. Preliminary tabulations for 1968 show a continuing decrease in the overall shortage. Still, 25 of 42 reporting States characterized their condition as about the same as last year, while eight found shortages more acute, eight found them less acute, and one reported sufficient applicants.

Another survey indicates that the Elementary and Secondary Education Act of 1965 increased the public schools' requirements by 70,000 teachers in 1967.[30] By 1969, additional requirements are expected to level off at about 90,000, mostly in secondary schools. While it appears that the overall shortages of teachers in schools below college level will continue to decline in the next few years, shortages can be expected in some geographic areas, particularly in urban ghettos and depressed rural districts, and in certain subject fields.

A recent study estimates the supply of new teachers between 1967 and 1975 at 2.2 million.[31] Many of these additional teachers will be needed to replace those who retire, die, or transfer to other jobs and the uncertified teachers currently employed. Nevertheless, the prospect of a rising supply of teachers opens up the possibility of substantially improving the caliber of teaching, through smaller classes and better trained teachers, including more needed specialists.

Alleviation of current shortages of faculty at *colleges and universities* also appears to be in prospect. Between 1967 and 1975, requirements for full-time teachers of degree credit courses are expected to increase by 89,000, or 33 percent—roughly one-half the rate of increase in the previous 8 years.[32] During the same period, twice as many persons are expected to earn doctoral degrees as in the preceding 8 years.[33] However, the proportion entering the teaching profession can be expected to vary by subject area. For example, in the 2 academic years 1962–63 and 1963–64, 80 percent of the new Ph.D.'s in accounting, English, journalism, philosophy, history, foreign languages, and geography continued in or entered college teaching. At the other extreme, college teaching claimed only 29 percent of new Ph. D. physicists, 23 percent of the chemists, and 18 percent of the lawyers.[34] Additional numbers of doctorate holders enter academic employment in positions not directly related to instructional activities. While selective shortages in particular fields may continue, on the whole it appears that, unless industry requirements and salaries increase more than expected, colleges and universities can command better educated faculties over the next decade.

Health Manpower. For a variety of reasons, the growing supply of workers in the health field has continued to fall far short of manpower needs, despite intensive Federal and private efforts to improve the situation.[35] Extensive research in this area [36] gave rise to several recent laws that provide for aid to education in the health professions, notably the Health Professions Educational Assistance Act of 1963, the Nurse Training Act of 1964, and the Allied Health Professions Personnel Training Act of 1966.

Since 1966, health manpower research has been concerned largely with implementation and improvement of the new programs established under these laws and administered by the Department of Health, Education, and Welfare. Research also contributed to the Health Manpower Act of 1968, which broadened and improved existing legislation that provides for aid to health professional education. A trail-breaking survey of manpower requirements in hospitals provided, for each State, data on employment by occupation and profes-

[29] *Teacher Supply and Demand in Public Schools, 1967* (Washington: National Education Association, 1967), Research Report R–18, pp. 6–7.

[30] *Projections of Educational Statistics to 1976–77* (Washington: U.S. Department of Health, Education, and Welfare, Office of Education, 1968), p. 41.

[31] "Supply and Demand For Education Personnel in Elementary and Secondary Schools," prepared by the U.S. Department of Labor, Bureau of Labor Statistics, for the Department of Health, Education, and Welfare, Office of Education, for use in the first annual report under the Education Professions Development Act. Requirements are based on enrollment quotas reported in "Projections of Educational Statistics to 1977–78" (Washington: U.S. Department of Health, Education, and Welfare, Office of Education, National Center for Educational Statistics, in process).

[32] "Projections of Educational Statistics to 1977–78," *supra.*

[33] *Projections of Educational Statistics to 1976–77*, p. 31; see footnote 30.

[34] *Teacher Supply and Demand in Universities, Colleges, and Junior Colleges, 1963–64 and 1964–65* (Washington: National Education Association, April 1965), p. 59.

[35] See the *1967 Manpower Report*, pp. 187–193, for a discussion of various aspects of health manpower problems and programs to deal with them.

[36] See *Physicians for a Growing America, Report of the Surgeon General's Consultant Group on Medical Education* (Washington: U.S. Department of Health, Education, and Welfare, Public Health Service, October 1959) and *Toward Quality in Nursing: Needs and Goals, Report of the Surgeon General's Consultant Group on Nursing* (Washington: U.S. Department of Health, Education, and Welfare, Public Health Service, 1963) Publication No. 992.

sional credentials, as well as estimates of need.[37] Another important report summarized the status and perspectives on health manpower, especially in regard to manpower requirements and education for the health professions.[38]

In 1966, a conference on job development and training for workers in the health field reached the conclusion that further effort was needed by both government and private institutions to provide more efficient services, with more economical use of available manpower.[39] Another study confirmed and brought up to date the results of much earlier research in this area.[40] This study found that, despite recent improvements, the allied health fields are still low-paid and under-capitalized and offer limited promotional opportunities, partly because most employing units are relatively small and widely scattered. A major recommendation to help counteract this situation is stronger support for the new educational institutions known as "Schools for Allied Health Professions." These organizations, if attached to medical schools, could not only provide a core curriculum which would enhance occupational mobility among allied health workers but also help bring about a better understanding of the functions of different occupations by all members of the medical team.

A recent study of the industry's technological development and prospects[41] indicates that changes in patient care, in particular, are likely to affect job content and result in new jobs through such specific developments as, for example, automated laboratory equipment, artificial human organs, and use of computers for diagnosis. New developing health occupations include inhalation therapists, repairmen for electronic equipment, and assistant physicians.

A study of medical technologists and technicians points to the use of regional laboratories with highly automated equipment as a partial solution to the problem of diagnostic services for small hospitals.[42] Two other studies of the operations of the job market for paramedical workers, which are discussed elsewhere in this chapter,[43] emphasize the need for better wages and promotional opportunities and more realistic hiring standards and job classifications. Both also call for improved training.

A nationwide survey of 1,400 nursing homes and related extended care facilities was undertaken by the U.S. Employment Service and State affiliates in March of 1968, in order to obtain data on employment, turnover, wages, and job vacancies for 10 selected occupations. Information was also obtained from employers on such matters as the effect of Medicaid and Medicare on their job markets.

An ongoing study for the Labor Department is investigating how military personnel with paramedical training can be persuaded to use it on civilian jobs.[44] Newly separated military personnel are being queried on how much they know about jobs and skill requirements of civilian medical occupations; why they think paramedical careers are attractive or unattractive; and whether they need additional training to meet medical occupation requirements. Hospitals and other employers of such workers are also being canvassed.

FUTURE RESEARCH REQUIREMENTS

While considerable progress has been made during the 1960's in expanding and improving the statistics available for intelligent management decisions, many areas still require further study. To carry out the intent of the 1968 amendments to the MDTA calling for "a comprehensive system of labor market information on a national, State, local or other appropriate basis," information on current and anticipated job opportunities and how these data may be interpreted must be provided in the form appropriate for users such as those setting

[37] "Manpower Resources in Hospitals—1966" (Summary Report of Survey Conducted by the Bureau of Health Manpower, Public Health Service, and the American Hospital Association).

[38] *Health Manpower Perspective: 1967* (Washington: U.S. Department of Health, Education, and Welfare, Public Health Service, 1967).

[39] *Training Health Service Workers: The Critical Challenge* (Washington: U.S. Department of Labor and U.S. Department of Health, Education, and Welfare, 1966).

[40] "Allied Health Manpower Trends and Prospects" by Harry I. Greenfield, with the assistance of Carol H. Brown (New York: Columbia University, under contract with U.S. Department of Labor, Manpower Administration, to be published by the Columbia University Press in early 1969).

[41] *Technology and Manpower in the Health Service Industry, 1965–75* (Washington: U.S. Department of Labor, Manpower Administration, May 1967), Manpower Research Bulletin No. 14.

[42] *A Manpower Study of Technical Personnel in Hospital Clinical Laboratories*, by James P. Harkness, Robert R. Cadmus, and Lois P. Tillmen, University of North Carolina, Chapel Hill School of Medicine, under contract with U.S. Department of Labor, Manpower Administration, 1968 (PB 180437).

[43] See the section on Job Market Processes in this chapter.

[44] "Followup Study of Military Medical Personnel to Determine Potential Transferability to Civilian Sector" (Washington: Robert R. Nathan Associates, under contract with U.S. Department of Labor, Manpower Administration, in process).

up programs under the MDTA or the Vocational Education Act. Data on current job opportunities are needed for additional areas beyond those initially covered, and the development of State and national data should be explored.

Projections of manpower requirements for States and areas should be expanded under the Vocational Education Act Amendments of 1968, which recognize the need for additional funding. In addition, more local information is needed on the actual and potential supply of labor, particularly of disadvantaged workers, on movements into and out of the labor force and between occupations, particularly those which have the potential for shifts up a career ladder.

Further studies of the pace at which automation is proceeding, by industry, would help in assessment of the possible impact on employment, not only in the industry itself, but in occupations within the industry. Such studies should investigate employment practices, labor force characteristics, productivity, and employment trends. (Studies of the railroads and of longshoring, conducted during recent years, are examples of the type of research needed.)

Additional knowledge of what kinds of training and education are needed for new jobs created by technological change would provide valuable guidance in planning training programs and in counseling workers.

In the attempt to expand the supply of health manpower, studies of the problems of recruiting young people and members of disadvantaged groups into health careers are underway. Studies of licensing and other barriers to entry into health jobs or to advancing up the career ladder are urgently needed. Wages and other income trends in health service employment should be studied, as should the extent of and reasons for high labor turnover. Information on the extent of unionization of health personnel and collective bargaining in this field would throw light on the attitudes of workers in these occupations.

A study of teacher placement services would be extremely helpful, as would a study of discriminatory practices in the teaching profession. Surveys of the extent to which aides are used in the teaching profession and of the training and education of such aides would also be of great help.

Even though growth in the body of information on scientific and technical manpower has been great, substantial gaps or weaknesses point to the need for additional studies or surveys, improved collection systems, and other actions to meet requirements. In some instances a data program has been initiated or has been underway and a continuing or expanded effort is indicated; elsewhere information is available, but is outdated and needs revision; and finally, for some studies, quicker processing and release of data are necessary. Among research needs with high priority are: Studies of the effects of Federal programs on scientific and technical manpower; greater depth of information on doctorate-level personnel; increased information on a geographic basis; improvement of data on social science fields; expanded mobility and career pattern studies; more information on sources of manpower supply; studies of occupational choice and identification of ability; studies of short- and long-range demand and factors affecting requirements and supply; and information on patterns of utilization and attrition in the educational system and on the recency and extent of training.

When the Employment Act of 1946 made it national policy to promote maximum employment ". . . for those able, willing and seeking to work," the overall rate of unemployment was the most significant single indicator of our progress toward that objective. Except for a few unusual periods during the next 15 years, the unemployment rate was so high that preoccupation with its reduction dominated economic and employment policies.

Since 1961, however, a consistently heartening reduction in joblessness, coupled with the increased emphasis on manpower programs, has been accompanied by increasing awareness not only of great disparities in the unemployment rates among particular groups and in particular areas, but also of many related problems. The rates of unemployment are three times the national average in many urban ghettos and among teenagers as a group and twice the overall average among nonwhites. Furthermore, until very recently unemployment statistics did not provide adequate information on many jobless people not actively seeking work. They did not indicate how many of these people actually want work, nor why they are not looking for jobs. Persons employed below their capabilities were not identified; neither were persons with low earnings who could not afford a satisfactory level of living.

With the development of an active manpower policy, it became apparent that additional measures of employment and unemployment problems were needed. As a result, a number of new approaches to the measurement of unemployment, underemployment, and related problems were initiated and are still being developed. This discussion outlines some of the more significant new efforts to develop insights and sharpen the focus of old perceptions—first, with respect to the extent of unemployment and other forms of underutilization of manpower, and then with respect to the relationship of these findings to problems of poverty. An attempt is also made to take stock of what has been learned and suggest areas where further improvements in fact-finding and research are still greatly needed.

UNEMPLOYMENT AND UNDEREMPLOYMENT

Improving the Measures

After several years of experimentation along the lines recommended by the President's Committee to Appraise Employment and Unemployment Statistics,[1] a number of changes were introduced into the statistics from the monthly Current Population Survey in 1967.[2] First, definitions of labor force status were changed to get better data on the unemployed. Second, new questions were added to get more information on persons not in the labor force. Third, a new area of inquiry relating to the reasons for unemployment—losing jobs, leaving jobs, or entry or reentry into the work force was developed.[3] Finally, the number of households in the sample was expanded from 35,000 to 50,000 to permit more detailed analysis of the results of the survey.

Despite the fact that the changes had only a relatively minor effect on the overall unemployment rate, the sharpened definitions were gratifying to most critics of the data. Furthermore, the additional information on persons not in the work force greatly increased the usefulness of these data. Information is now available regularly on the major reasons why men and women of working age are not in the labor force, whether they want a job now, when they last worked, why they left their last job, and whether they intend to look for work in the near future.

Analytical Potential of the New Measures

Data based on the modified labor force concepts will permit further exploration of many questions

[1] *Measuring Employment and Unemployment*, President's Committee to Appraise Employment and Unemployment Statistics (Washington: U.S. Government Printing Office, 1962).

[2] The basic changes in the concepts of unemployment introduced in 1967 are described in *Concepts and Methods Used in Manpower Statistics From the Current Population Survey* (Washington: U.S. Department of Labor, Bureau of Labor Statistics, June 1967), BLS Report No. 313.

[3] For a discussion of the findings on reasons for unemployment and their policy implications, see *1967 Manpower Report*, pp. 124–126.

for which, until now, the answers have been elusive. A case in point concerns a question highlighted in the *Manpower Reports* for 1964 and 1965 regarding the appreciable increase since 1951 in the number of men in the prime working ages who were either outside the labor force or unemployed. A more detailed analysis of this increase, issued by the Department of Labor in 1966,[4] showed that the proportion of men outside the labor force had increased for Negroes in all age groups, whereas it had risen appreciably for white men only in the 55 to 64 age group. The data then available permitted little more than speculation about the reasons for these differences, but this analysis can now be pursued with the new data on people's reasons for being unemployed or not in the labor force. For example, the data for 1967 showed that a significantly larger proportion of the young nonwhite men than of the young white men outside the labor force who intended to look for work had never held a job. Their job search would undoubtedly be made more difficult because they could provide no evidence of successful work performance and adaptability to work disciplines and working relationships.

For older men, the data showed that relatively more nonwhite men than white men outside the labor force reported that they had left their last job because of ill health; relatively fewer left because of retirement.

New perceptions of unemployment problems can be found in the data on reasons for unemployment. A forthcoming special study based on these data indicates that:

—In an average month during 1967, the loss of a job (including layoff) was the major cause of unemployment among adult male family heads, but among young people and adult women unemployment was most often related to their entering or reentering the labor force.

—Persons who lost their jobs were unemployed longer than those unemployed for other reasons.

—Negro men who lost a job were likely to have been permanently laid off, whereas a significant number of unemployed white men were on layoff and had a good chance to be recalled.

The foregoing samples of the new data, especially regarding persons outside the labor force, merely hint at their analytical potential. They have already helped significantly in the development of policies and programs designed to improve the well being of American workers, as indicated elsewhere in this report. But even after the changes noted above were introduced, other efforts had to be undertaken to fill the still large gaps in the knowledge about those members of our work force who were unable to find satisfactory jobs.

Geographic Concentrations

Recent incidents of social and racial unrest have underscored the failure of our data system to report adequately on the more than 12 million slum residents of working age. The first large-scale survey of employment and unemployment problems concentrating on the poorest slum areas of several of our cities was conducted by the Department of Labor in November 1966.[5] Unemployment rates in these areas averaged about three times as high as for the Nation as a whole. When allowances were made for low earnings, involuntary part-time work, nonparticipation in the labor force, and the population undercount, sub-employment rates ranging from 24 percent to 47 percent were discovered. The findings contributed heavily to the decision to focus training and job development efforts in specific pockets of poverty through the Concentrated Employment Program.[6]

Concerned with and spurred by the results of these studies, the Department of Labor undertook a longer range program of Urban Employment Surveys which got underway in the summer of 1968 in the slum areas of six large cities: New York, Detroit, Chicago, Los Angeles, Houston, and Atlanta. (More cities may be added later.) In addition to standard questions on family composition, employment status, earnings, and education, these new surveys included questions on training, the extent of migration, barriers to employment,

[4] *Unused Manpower: The Nation's Loss* (Washington: U.S. Department of Labor, Manpower Administration, 1966), Manpower Research Bulletin No. 10.

[5] See *1967 Manpower Report*, p. 74 ff.

[6] See the chapter on Implementing and Coordinating Manpower Programs.

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problems of finding jobs, participation in manpower programs, lifetime work experience, and attitudes toward work. In studying the employment-related problems of slum residents, the aim will be to provide a basis for planning remedial programs and to evaluate the effect of existing programs over time.

In addition, several entirely new areas and approaches are being considered for intensive investigation:

—The development and testing of ideas on how to determine the employment and related characteristics of persons who are not interviewed in usual household surveys because of disorganized living conditions, because they have no regular residence, or who might, through misunderstanding, fear the consequences of being enumerated in a census.

—The meaning of work to persons in urban slum areas.

—Concepts and measurement techniques related to underemployment.

—The processes through which urban youth begin work careers, particularly the transition from school to work.

—Multiple jobholding in urban slums.

Annual Unemployment Experience

Along with the development in recent years of manpower programs focused on the needs of individuals came a recognition that the count of persons unemployed in a particular week was singularly inadequate as a measure of program needs. Data were needed that would indicate not only how many were currently unemployed but also how many suffered repeated spells of unemployment, and how serious was this unemployment.

In the last several years, increased attention has been paid to annual data on periods of unemployment. The number of persons who have some unemployment during a year is three or four times as large as the average of the monthly estimates of unemployment based on labor force activity during a particular week. Last year, a more detailed analysis of differences for 1966 showed that almost six times as many men aged 25 to 44 were unemployed 5 weeks or more at some time during the year as were so recorded in the average monthly estimates.[7] Improvements in the economic climate have brought pronounced reductions in the number of long-term unemployed (as measured by both sets of data), but a less satisfactory reduction in the proportion of persons unemployed more than once during the year.

Longitudinal Surveys of Labor Force Behavior

The intensive evaluation of annual work-experience surveys led to a recognition of limitations of these data. Questions of policy arose regarding how many persons with unemployment in a particular year are also prone to be unemployed in subsequent years. And why do some of the unemployed make a successful labor force adaptation, while others continue to have sustained periods of unemployment for several years? Basic questions such as these could not be accurately answered by traditional one-time surveys because of the probability that workers would not be able to recall past events. Furthermore, increased recognition of the importance of the relation between workers' attitudes and successful adaptation to the labor force implied a need for the measurement of changes in attitudes in order to properly assess this adaptation.

The most comprehensive effort to answer such questions is a longitudinal study of labor force behavior begun in 1966.[8] In addition to the longitudinal approach, two considerations stand out as particularly important and unique in this large-scale study. The first is the interdisciplinary approach—the inclusion of sociological, psychological, and economic variables. The second is its breadth and depth: the study probably will be the most comprehensive and precise body of data on labor mobility ever compiled. Four groups have been selected for study—young men 14 to 24 years old, men 45 to 59, young women 14 to 24, and women 30 to 44.

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[7] See *1968 Manpower Report*, pp. 17–20.

[8] This study is being done under a contract with the U.S. Department of Labor, Manpower Administration by the Center for Human Resources Research of The Ohio State University in cooperation with the U.S. Bureau of the Census. Dr. Herbert S. Parnes is the principal investigator.

The study now in process will involve six annual surveys with the same individuals covering a period of 5 years. Some of the major areas of investigation relate to changing jobs, entering or leaving the labor force, and leaving or reentering a program of education.

Although the most significant results of this series of surveys will not become available until after several rounds of interviews have taken place, some initial results of the first survey of older and younger men will serve to indicate the nature and value of the series.

One of the most significant new findings relates to the transition of young workers from school to work.[9] The knowledge that workers have of the range of alternative opportunities for which they might qualify and their perception of the advantages and disadvantages in each situation have an important bearing on their success. To ascertain their knowledge of occupations, the young men were asked a series of questions concerning occupational duties, earnings, and educational requirements.

High scores were found to be positively related to age, educational attainment, father's occupational level, and amount of reading material in the home. Also, white youth had higher scores than Negroes even when controls were used for these factors.

Youngsters still in high school scored particularly low, with Negroes scoring well below whites. Many of these young people, who were already making decisions affecting their life's work, were doing so on the basis of grossly inadequate and inaccurate ideas about the world of work. This constitutes a serious indictment of the education and vocational counseling afforded them in the school they attended.

The practical consequences of differences in the extent of occupational information will be more completely understood when subsequent surveys of the young men in this longitudinal study have been made. Results of the first survey have already indicated that young men with the best occupational knowledge were having more success in the work world than others, judging from the amount of skill, responsibility, and wages they reported for their current jobs and the jobs they held 1 year earlier.

[9] These findings are from a forthcoming report on labor force behavior of young men 14–24 years of age; see footnote 8.

The first survey of older men[10] found that almost half of the men had received some vocational training outside the regular school system, and nearly one-fifth had received more than one type; for example, in both a technical institute and a company training school, or in a business school and an Armed Forces program.

Whites were significantly more likely than Negroes to have received training, and twice as likely to have been in more than one program.

Training was more of a complement to, than a substitute for, formal education: the more education (short of college graduation), the greater the likelihood of training, particularly of more than one kind of training. Thus, the less educated were doubly disadvantaged.

In nearly every major occupational group, the number of different kinds of training a man had taken was positively related to his hourly rate of pay. Furthermore, wage rates were more closely related to the variety of training than to its total duration.

One of the most significant findings of the study is that the unemployed men who had been jobless the longest also had the longest tenure on their last job. It may be that many of these men were on extended layoff and were willing to wait for recall because they did not want to lose the seniority status and fringe benefits to which they would be entitled if they returned to their former employers. Other explanations are that years had passed since their last job search, and their knowledge of job-hunting techniques may be out of date. Long tenure might also limit the types of alternative jobs for which they might prove eligible.

Considerable movement among employers, occupations, and geographic areas occurred between the time the men began work and the time they reached their forties and fifties. About 9 out of 10 were at work for a different employer than the one who first hired them; between 7 and 8 out of 10 were in a different occupation, and half were working in a different community.

[10] *The Pre-Retirement Years: A Longitudinal Study of the Labor Market Experience of the Cohort of Men 45–59 Years of Age* by Herbert S. Parnes, Belton M. Fleisher, Robert C. Miljus, Ruth S. Spitz, and associates, The Ohio State University under contract with U.S. Department of Labor, Manpower Administration, 1968.

Most of the changes represented occupational improvement; that is, from laborer to operative or from clerk to professional, for example. Over three-fifths of the men whose occupations changed between the first and latest job improved their socioeconomic status, while less than one-fifth moved downward, and another fifth remained at approximately the same level.

Other evidence attests to the overemphasis often given to economic advantage in explaining labor force behavior. Over four-fifths of the white and slightly over half of the Negro workers stated that liking the kind of work was more important in a job than earning good wages. Furthermore, more than three-fourths of all the men stated that they would work even if, by some chance, they got enough money to live on comfortably without working.

Nearly two-thirds of the men were covered by some type of private pension plan. Among employed wage and salary workers, two-thirds of the whites and half of the Negroes were eligible for such benefits. Higher "propensity to retire" was found among blue-collar workers; men with longer job tenure, higher wages, greater family assets, health problems, or no dependents; and those eligible for pension benefits. In addition, Negro men had a lower propensity to retire than white men, even when the above factors were taken into account.

The annual followup studies of these men will further explore the circumstances under which they actually retire or leave the labor force. The importance of health problems among men of this age is underscored by a very detailed study [11] of disability conducted by the Department of Health, Education, and Welfare which clearly confirms disability as a major reason for nonparticipation in the labor force, for unemployment, and for involuntary part-time work. It also suggests the need for modification of retirement policies to allow for high and differential incidence of disability in later years; a major expansion in the amount of vocational rehabilitation services; and greater use of job redesign to make possible the retention of partially disabled workers.

[11] *Social Security Survey of the Disabled: 1966, Report No. 2, Disability, Work, and Income Maintenance: Prevalence of Disability, 1966* (Washington: U.S. Department of Health, Education, and Welfare, Social Security Administration, 1968).

RESEARCH ON POVERTY AND LOW EARNINGS

Much of the research on unemployment and underemployment which has been discussed is linked closely with a resurgence of interest in alleviating poverty. In addition, the launching of the war on poverty and the passage of the Economic Opportunity Act in 1964 broadened the scope of research to include the study of the problems of the working poor—and low earnings—in relation to other reasons for low income. This research, like that on labor force activity, has produced new concepts, advances in measurement, and new data.

Improvements in Data

When the war on poverty was launched in 1964, the Council of Economic Advisers in its *Economic Report* designated four-person families with less than $3,000 income and individuals with less than $1,500 as poor. By 1965, the Social Security Administration developed a more sophisticated concept of poverty, taking into account family size and composition, and farm-nonfarm residence as well as the amount of money income.[12] As applied to 1967 incomes, the poverty threshold for a nonfarm family of four was $3,335. For nonfarm residents it ranged from $1,560 for a woman 65 years or older living alone to $5,440 for a family of seven or more persons. For farm residents, the poverty thresholds were 70 percent of those used for nonfarm residents.

Because this definition of poverty relates to a family rather than a person and varies with size and type of family, the relationship of a worker's earnings to the poverty status of his family is highly complex. One approach compares the earnings of the family head (or principal earner) to the poverty cutoff for the family, but many U.S. families have two or more earners. Another approach to determining the adequacy of earnings is comparing them with the minimum wage, but

[12] The poverty line is based on an "economy" food plan designed by the Department of Agriculture for "emergency or temporary use when funds are low." Assuming that a family should not have to spend more than a third of its income for food, a family is statistically classified as poor if its total income is less than three times the cost of the economy food plan. For a detailed description of this classification system, see Mollie Orshansky, "Counting the Poor: Another Look at the Poverty Profile," *Social Security Bulletin*, January 1965.

again, the *family* of a worker who earns less than the minimum wage is not necessarily poor.

The basic source of data for these comparisons is the census statistics on the income and earnings of the U.S. population. These statistics benefited from the expansion of the Current Population Survey sample to 50,000 households, referred to earlier. In addition, in 1966 the basic income survey questions were first asked of all households, whereas in the past the questions had been asked only of 3 out of 4 households in the survey.

Another breakthrough in the generation of data on low earners and low-income families occurred with the creation of the so-called "person-family" system of tabulations that classifies the characteristics of individuals by the characteristics of their families. These make it possible to ascertain how many workers with year-round employment earn too little to support their families above a poverty standard and to know how many children are growing up in families that are poor because they are headed by a woman who cannot enter the labor force, a disabled person, or a man beset by unemployment or low earnings.

Sub-Employment

More recently, these same source materials have been used to construct a measure of the combined effect of inadequate employment and insufficient income—the index of sub-employment. The sub-employment measure as discussed in the *1968 Manpower Report* included two groups of workers—those unemployed for 15 or more weeks during the year and those who made less than $3,000 for year-round full-time work. Selection of these criteria for the measure focused attention on the most serious problems of unemployment and low earnings.[13] This was the first effort to estimate a sub-employment rate for the Nation as a whole and it differed in a number of respects from the November 1966 index mentioned earlier.

Because of limitations of the data, the national rate did not include all the components of sub-employment used in the 1966 rate for 10 areas. However, the national measure was broader in that it reflected the extent—during a full year, instead of during the survey week—of irregularity of work and of low earnings among those working at full-time jobs. Sub-employment, as thus measured, has declined sharply—from 17 percent in 1961 to 10 percent in 1967. The problem of sub-employment is now more a matter of low earnings than of unemployment, although both are significant. In 1967, over 6.8 million workers were in the low-earner group, compared with 2.3 million who were unemployed for at least 15 weeks. The disadvantaged situation of nonwhite workers is also thrown into sharp focus by these data. A sub-employment rate of 19 percent was found for nonwhite men—almost 2½ times as high as the 8-percent rate for white men.

The sub-employment data represent one of the most significant recent developments in broadening the measurement of joblessness and employment hardship. The Department of Labor is continuing intensive efforts to sharpen and increase the comprehensiveness of the measures of these problems, particularly for income and earnings data. Special cross-classifications of data on work experience, income, and family characteristics are being developed in order to reflect more fully the total impact of joblessness and underemployment.

In addition, attempts are being made to obtain weekly earnings data, which were an important component of the 1966 index. Data are also being sought to make better estimates of the effects on the sub-employment index of the population undercount and of the number not in the labor force who want work. These efforts should make it possible to use the data from the monthly surveys to construct a national index of sub-employment comparable to the 1966 area measures. Ultimately, it may be possible to develop a new concept that will incorporate the best features of both the measures based on the monthly data and those based on the annual data.

New Data Collection

In the area of new data collection, the major efforts were the Surveys of Economic Opportunity, sponsored by the Office of Economic Opportunity, in the spring of 1966 and 1967.[14] The sample was designed to include a disproportionately large number of Negro households, in order to reduce the sampling variability of the statistics for

[13] See *1968 Manpower Report*, pp. 34–36.

[14] The survey interviews were conducted by the Bureau of the Census, and the results are being processed jointly by the Bureau of the Census and The Brookings Institution.

the Negro population. The data from these national surveys will broaden the scope of the information about the socioeconomic condition of families and their members. The detailed data will permit multivariate analysis of the poverty population—including the important question of unemployment and low-income persistency among the poor. Information for identical individuals in successive years (1965 and 1966) can be used to trace reasons for movement up or down the earnings ladder.

The Office of Economic Opportunity is underwriting another longitudinal study to determine the forces that cause people to move in and out of poverty or finally to escape poverty.[15] The plan of the study calls for a national sample of 5,000 families to be interviewed year after year for the next several years. The initial sample includes a disproportionate number of low-income families, because of OEO's primary concern with the dynamics of escape from poverty. However, there will also be a supplementary sample of persons currently above the poverty line to determine the characteristics of those who may later fall into poverty. All the members of the families in the study—including children who leave home and start their own families—will be followed wherever they move in the United States.

Finally, mention should be made of the effort by the Department of Labor to begin monthly collection of weekly earnings data through the Current Population Survey. Such data could permit the construction of a regular monthly or quarterly measure of sub-employment, since the monthly survey would then incorporate all the major components—the unemployed, the involuntarily part-time employed, the involuntary nonparticipants in the labor force, and the low earners.

New Insights

The intensified study of poverty and low earnings has laid the foundation for wide-ranging remedial programs, as documented in earlier chapters of this report. A few findings with particularly broad significance are highlighted here.

With the steady economic expansion of the past several years, the man at work in 1967 was much more likely to be steadily employed, and to be earning considerably more, than was his counterpart in 1960. Among men who did any work during the year, the extent of year-round full-time employment increased from 64 percent to 69 percent. At the same time, median earnings for the fully employed men rose from $6,100 in 1960 [16] to $7,200 in 1967—an increase of 18 percent.

Encouraging as these inroads on poverty may be, the general prosperity has left the remaining poor families actually worse off in relation to the rest of the community. Special censuses in 1965 and 1966 of the Watts area in Los Angeles, the Hough area in Cleveland, and the predominantly Negro tracts that surround these ghetto areas [17] found no improvement from 1960 in the socioeconomic condition of the residents, and the Cleveland census showed strong gains outside the poverty areas. Another cautionary note is the lack of a perceptible rise in the relative share of income and earnings received by families in the lowest fifth of the income distribution.

The fundamental importance of adequate earnings is reflected in a few key statistics for 1966. Altogether, families headed by women, nonwhite men, and white men over 65 accounted for 64 percent of the poor but only 24 percent of the nonpoor. Only 1.7 million of all 6.1 million poor families in 1966 were headed by white men employed at the time of the survey in March 1967. Of these 1.7 million white men, 61 percent worked in the least remunerative occupation groups—as laborers, service workers, semiskilled operatives, and farmers. The comparable figure for the nonpoor was 32 percent.

INFORMATIONAL NEEDS

From this review of research on unemployment, underemployment, and poverty, it is clear that great strides have been taken toward obtaining the facts and figures essential to the solution of these problems. The synthesis of this knowledge which has preceded its application in manpower programs also makes clear that further building on this groundwork is essential. A blueprint for a few of the more significant parts of the needed structure follows.

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[15] The study is being done by the Survey Research Center of The University of Michigan.

[16] In 1967 dollars; i.e., adjusted to reflect current prices.

[17] *Current Population Reports*, Series P—23, Nos. 18 and 21 (Washington: U.S. Bureau of the Census, 1966 and 1967).

Because the ongoing Urban Employment Surveys cover only six cities, they will tell little about the problems of other cities or poor rural areas. A major expansion of this type of survey is needed to pinpoint the geographic concentrations of poverty and assess the varied manpower problems and potentials of impoverished areas.

Efforts must be made to further define and measure the various aspects of underemployment and underutilization. And the most serious problem is that some aspects such as skill underutilization are not measured at all. More work is needed to develop concepts and devise means to measure these concepts.

The problems of concept and methodology in the income field are formidable also. In particular, there is the question whether reported money income is an adequate proxy for real levels of living—that is, for actual consumption of goods and services. Even if reported money income is accepted as a valid measure of the level of living, there are questions concerning the standards used to determine adequacy: Should the annual updating of the standards take account of changes in productivity and wage rates as well as in the price level? Should account be taken of regional variations in the cost of living?

More and better data on earnings are also desirable. Changes in income over the working-life cycle remain a serious data gap. Information is required for all workers, but particularly for part-time and part-year workers, on the relationships between the earnings and work experience of family members and total family income. The annual earnings information is too gross, as yet, to provide adequate measures of hourly or weekly wage rates in specific occupations, although there are some promising approaches on the horizon. Only limited progress has been made in developing the necessary conceptual framework and measurement system needed to obtain comprehensive information on fringe benefits and no progress has been achieved in interrelating available data on fringe benefits to social and economic characteristics of workers.

The principle that the education and training of the Nation's workers critically influence the rate of economic progress as well as the workers' welfare—made explicit in the Manpower Development and Training Act—delineates a major area of manpower research during the 1960's. Federal research on manpower development has, in part, been designed to improve the operation of federally supported training programs. It has also been devoted to gathering manpower "intelligence" that would serve the broader goals of policymaking in this field. Research in these areas has encompassed studies of the scope and sources of occupational training in the United States, training of disadvantaged groups, Federal training programs, and foreign training policies and programs.

The research reviewed here is limited to studies concerning the acquisition of skills in occupations below the professional level.[1] Some of the new insights from these studies comprise the bulk of this discussion. Significant as many of these have been in sharpening manpower policies, there is room for improvement in the research on training, as suggested at the end of this section.

THE SCOPE AND SOURCES OF OCCUPATIONAL TRAINING

One of the first research projects under the MDTA program was a pioneering survey in 1963 of the nature and extent of American workers' occupational training.[2] The most striking conclusion was that formal training played a relatively limited role in providing skills below the professional level. Only 30 percent of the workers who were not college graduates had learned their current jobs through formal training; most had learned informally on the job or just "picked up" their skills. Generally, formal training was most prevalent in occupations at higher skill levels and in those with rapidly expanding employment. Thus, manpower planners were alerted to the likelihood that the need for formal training would accelerate as manpower demand continued to shift toward higher level occupations.

Another outstanding feature of the formal training was that three-fourths of it had been taken in educational institutions of one kind or another. High schools alone accounted for nearly two-fifths of all training programs, and three other types of educational institutions—junior colleges, technical institutes, and special schools—together provided about three-tenths of the programs. Formal industry training programs, including apprenticeship, represented only 15 percent of the total. Industry was a major source of formal training only in the skilled crafts, supervisory occupations, and in certain occupations where employment was heavily concentrated in one industry (telephone operators, for example).[3] Thus, planners began to consider means of involving private industry more deeply in the preparation of its workers.

Vocational Education

Vocational education in the schools is by far the largest federally aided occupational training program.[4] The findings of the 1963 survey underscore the schools' importance as both a source of and a gateway to occupational preparation.

The Vocational Education Act of 1963, which gave new impetus to this program, also authorized a new program of research and development to guide adaptation of the vocational education system to changing manpower needs. Research carried out under this mandate has focused on four key areas:

1. *Planning and evaluation*, where the ultimate goal is to develop a set of handbooks and other materials which will identify the appropriate techniques for evaluating various educational planning problems and instruct the planners in their use.

[1] Research on related aspects of work preparation is discussed elsewhere in this chapter.

[2] *Formal Occupational Training of Adult Workers—Its Extent, Nature, and Use* (Washington: U.S. Department of Labor, December 1964), Manpower/Automation Research Monograph No. 2.

[3] The small extent and specialized nature of industry training had been observed in an earlier survey of private employers, *Training of Workers in American Industry* (Washington: U.S. Department of Labor, Bureau of Apprenticeship and Training, 1962).

[4] For a discussion of the vocational education program, see the chapter on Manpower Development Through the Schools.

The projections of manpower requirements used in planning vocational education curriculums are discussed in the section of this chapter on Manpower Requirements and Resources.

A series of studies has been conducted to provide the basic groundwork for current and planned evaluation research. The most significant was a national survey of a sample of graduates of trade and industry (T&I) courses. Information was obtained on the characteristics of these graduates, such as aptitudes and abilities, socioeconomic origins, and school performance and adjustment. The study also related the curriculums, facilities, and other characteristics of the schools attended to the postgraduation occupational and educational experiences of their graduates, and recommended improvements in vocational education based upon its findings.[5]

2. *Curriculum development*, where the objective is to develop a single "organic" curriculum which would employ vocational preparation as the principal vehicle for teaching basic academic skills and would train students in a core of skills related to a cluster of occupations rather than one specialized occupation. Particular emphasis has been placed on the development of curriculum materials for new and emerging occupations.

3. *New careers*, where job analyses of human service activities in schools, social welfare agencies, recreation, and municipal governments are being organized into career sequences as a basis for developing education programs to qualify workers to enter and progress in such jobs.

4. *Occupational information and career choice*, where computer-based and managed systems are being developed to provide students with educational and vocational information and with training in vocational decisionmaking.

Training by Employers

Reports of labor scarcities in key skilled and technical occupations which could provide the opportunity to hire and upgrade less skilled, frequently disadvantaged workers have prompted several major studies of training by employers. The occupations studied require fairly long training periods and employer training has been prominent in most of them.

A 1963–64 study of hospitals and electronics and metalworking firms in two large metropolitan areas found that most of the employers made little change in traditional methods of recruiting, training, and using workers in the six occupations studied.[6] Although persistent and serious shortages did exist for licensed practical nurses and medical technologists, the study did not support the employers' "almost universal belief" of shortages in the four industrial occupations—tool and die maker, tool and die designer, electronics technician, and engineering technician. There were very few nonwhites in any of the four industrial occupations, but the use of minority group members was an "important response to labor shortages" by hospitals.

Shortages were most severe in the occupations with the most prescribed and narrow entry routes—licensed practical nurse, medical technologist, and tool and die maker. Engineering technicians, on the other hand, were commonly upgraded from lower level jobs, and the possibilities for building on a variety of previous educational, training, and practical experiences provided valuable flexibility and speedier adjustment to shortage situations.

The students' training costs were either low or moderate for all of the occupations except medical technologist. Employer training costs were substantial for all of the occupations except the two technician categories.

The researchers suggested that the MDTA approach would be valuable where training costs are a major consideration either for certain kinds of trainees or for employers; for example, training for licensed practical nurses and preapprenticeship training for tool and die makers. Junior or community colleges were seen as a way of alleviating the training cost problems for all of the occupations except tool and die maker. For this occupation, as well as for medical technologist, suggested approaches included cooperative training arrangements among employers and Government subsidies to large employers to provide trained workers for small employers.

Persistent reports of shortages of tool and die makers led the Department of Labor to underwrite a two-part study of the preparation of workers for this occupation. The first phase of this study sought to find out how workers learned this craft and what combinations of education, train-

[5] *The Process and Product of T&I High School Level Vocational Education in the United States*, Vol. II, *The Process* (Pittsburgh: Educational Systems Research Institute, 1968).

[6] *The Shortage of Skilled and Technical Workers: An Inquiry Into Selected Occupations in Short Supply*, by Walter Franke and Irvin Sobel, Institute of Labor and Industrial Relations, University of Illinois, under contract with U.S. Department of Labor, Manpower Administration, 1968 (PB 180367).

ing, and experience were most likely to produce highly qualified workers.[7]

A preliminary report shows many training paths to this occupation; on-the-job training and vocational high school were the most common but by no means predominant. Nearly all paths produced substantial proportions of superior workers, as measured by their foremen's evaluations. The researchers tentatively concluded that factors other than type of training—such as innate talent and the amount and variety of work experience—probably are more important determinants of ability as tool and die maker. This suggests it is better to stress appropriate selection procedures and maintain competing training methods than to emphasize any particular type of training.

In the second part of the study, actual job requirements in the surveyed firms are to be compared with the breadth of the journeymen's skills and the paths through which they were acquired. The experience of youth entering this occupation from vocational school will also be studied.

Because a strong apprenticeship system is crucial in meeting the continually expanding need for highly skilled craftsmen, methods of improving it have commanded a good deal of research attention. A landmark study of Negro participation in apprenticeship programs is discussed in the section of this chapter on Equal Employment Opportunity.[8] A second major study of apprenticeship represents an effort to ascertain the features of exemplary programs in the machinist, pipe, printing, and culinary trades in order to establish a framework for an optimum apprenticeship system, particularly built-in procedures for adapting to technological changes.[9] Major attention was also focused on the attitudes of high school youth toward entering skilled trades.

Preliminary findings show that most of those concerned believed it was wiser to provide all-around training to produce all-around craftsmen, implying the desirability of more rotation among different employers during training. One of the most significant insights from the study is that about 3 of every 5 journeymen recognized obsolescence—or getting out of touch with new developments in the trade—as a moderate to serious problem. Yet only one-fourth had taken a trade training course within the past 4 years. About half reported no wages or expenses were paid for such training.

TRAINING OF DISADVANTAGED GROUPS

Another major area of training research reflects the emphasis in Federal manpower programs on the disadvantaged. The several studies reviewed here concern groups with particularly severe handicaps.

On New Year's Day in 1964, President Johnson released a pathfinding study of men rejected for military service—*One-Third of a Nation*.[10] The report highlighted the startling fact that a full one-third of the Nation's young men turning 18 would be found unqualified if they were to be examined for induction into the Armed Forces. These men were about evenly divided between the physically unfit and those who would not pass the mental tests. A major proportion of these young men were the products of poverty. Most had only limited education, and over 30 percent did not have jobs. It was clear that without special rehabilitation many of these young men would perpetuate the cycle of poverty.

Acting on the report's recommendations, the President ordered examinations at age 18 for out-of-school youth and directed the Departments of Labor, Defense, and Health, Education, and Welfare to initiate a national program for the guidance, testing, counseling, training, and rehabilitation of those rejected. Progress under this program is detailed elsewhere in this volume.

Young men in the New York City Jail on Riker's Island were the subject of a study connected with a 20-week program of education and training in the operation of automatic data processing machines.[11] The youth also received help in finding

[7] "Evaluation of the Training of Tool and Die Makers" (Boston: Northeastern University, under contract with U.S. Department of Labor, Manpower Administration, in process).

[8] *Negro Participation in Apprenticeship Programs*, by F. Ray Marshall and Vernon M. Briggs, Jr., University of Texas, under contract with U.S. Department of Labor, Manpower Administration, 1966 (PB 177568); published as *The Negro and Apprenticeship* (Baltimore: The Johns Hopkins Press, 1967).

[9] "A Study of the Need for Educational and Training Adjustments in Apprenticeship Programs for Selected Craft Occupations" (Lafayette, Ind.: Purdue Research Foundation, under contract with U.S. Department of Labor, Manpower Administration, in process).

[10] *One-Third of a Nation—A Report on Young Men Found Unqualified for Military Service*, President's Task Force on Manpower Conservation (Washington: U.S. Government Printing Office, 1964).

[11] *Restoration of Youth Through Training*, by Clyde E. Sullivan and Wallace Mandell, Staten Island Mental Health Society, under contract with U.S. Department of Labor, Manpower Administration, 1967 (PB 175609).

jobs (including a bond if necessary) after they were released, loans to tide them over, and access to an umbrella of supporting social services.

The study provided evidence concerning the benefits of such training during a short term in jail: The rate of recidivism was lower among the trainees than among a matched group of "controls" who followed ordinary jail routine, and the trainees got a better start up the job ladder. And the study paved the way for a series of pilot training projects for prison inmates (discussed in the following chapter on the Experimental and Demonstration Program) and, together with these, for an expanded pilot program of training in correctional institutions under a 1966 amendment to the MDTA.

The mentally retarded—even those who have had the advantage of completing special education courses in the public schools—confront formidable obstacles in finding gainful employment. Lack of adequate skills training, employer prejudices, and a general dearth of information concerning their employment potential and specialized needs all stand in their way. A current research project sponsored by the Department of Labor is the most comprehensive followup of the mentally retarded in the job market conducted to date. It covers all aspects of the employment experience of 500 young graduates of special education classes in the New York City public schools.[12]

Data from the school records of all youth who left special education classes for the mentally retarded in New York City in 1960 and 1963 showed so few in these classes that it must be assumed that a large percentage of retarded children are not so identified during their school years and many children who are so identified remain in regular classes. Puerto Rican children were in classes for the retarded about twice as often as would be expected, suggesting that weakness in verbal comprehension had been interpreted as a symptom of retardation in the assignment of children to special education classes. Other preliminary findings indicate that, in general, the mentally retarded came from the most disadvantaged sectors of the population, thus adding to the evidence of a direct relationship between poverty and mental retardation. Still other findings indicate that training, counseling, and placement agencies have largely failed to reach most of the city's potentially employable retarded population and that a major restructuring of these services will be needed to assist these individuals in their preparation and search for employment.

Two of the studies concerning disadvantaged individuals are generating valuable information on the interrelationships between training and other elements of the job adjustment process. One of these is associated with an experimental counseling and training program in Cleveland. Recent low-income Southern in-migrants have been interviewed to determine what occupational adjustment services the program should provide. Their occupational adjustment after completion of the program is being assessed.[13] The interviews revealed that, contrary to popular belief, these Southern in-migrants appreciate the importance of education and training; an overwhelming majority said they would be interested in "getting some kind of job training." Yet the majority of these individuals were unaware of the availability of training opportunities to which access was provided.

The second study is analyzing the effectiveness of on-the-job orientation in helping Negro men and women who have just completed a skill center training course to make a successful transition to employment in a large communications company.[14] This orientation consists of role-playing, problem-solving sessions in which the participants are trainees, their supervisors, and union committeemen. While the final results are not yet available, the researchers have made preliminary recommendations concerning possible improvements in the operation of the MDTA skill centers which have furnished the candidates for this experimental program.

FEDERAL TRAINING PROGRAMS

Within the limits of funds and other priorities, research studies have been closely coordinated with major Federal manpower development

[12] The Employment of New York City's Mentally Retarded Adults" (New York: Association for the Help of Retarded Children, under contract with U.S. Department of Labor, Manpower Administration, in process).

[13] "Occupational Adjustment of Recent Low-Income Southern In-Migrants to Cleveland" (Washington: Bureau of Social Science Research, under contract with U.S. Department of Labor, Manpower Administration, in process).

[14] "On-the-Job Orientation of Negro Skill Center Trainees and Their Supervisors" (Detroit: Wayne State University, under contract with U.S. Department of Labor, Manpower Administration, in process).

efforts. Several such studies illustrate the potential value of research in improving the operation of federally conducted or assisted occupational training programs.

One of the first studies conducted under title I of the MDTA contributed importantly to the first amendments to the act.[15] The findings of this project on factors that influenced unskilled workers to forego training were presented to the House Committee on Education and Labor by project officials. The Committee cited the project officials' testimony in support of recommendations for the 1963 amendments authorizing expanded youth training, providing for basic education for workers who need this to benefit from occupational training, and increasing training allowances. The Employment Service also used this study in developing outreach techniques for working with culturally deprived workers and in establishing its Human Resources Development Program.

In the other study, approximately 6,000 MDTA trainees were canvassed to determine how their attitudes and motivations affected their decisions to complete or drop out of training and their subsequent success.[16] The preliminary report on this project raises at least two questions which are now receiving serious consideration within the Department of Labor. The first question, whether trainees are adequately rewarded for not dropping out of the program to accept a job, stems from the finding that most of the dropouts left training because of financial and family pressures and that they often earned more, at least to start with, than graduates of the program. The second, whether training conditions are close enough to what the trainee will encounter when he goes to a job, is based primarily on reports from two-thirds of the trainees that they would have liked more practical experience in class and on frequent complaints about the scarcity of materials and equipment and the brevity of training courses.

Several studies of the Concentrated Employment Program (CEP), which is described in the chapter on Implementing and Coordinating Manpower Programs, were begun soon after it started in 1967. To assess the "image" of the CEP as viewed by those who use it, one study is obtaining information from persons who express interest in the CEP at Columbus, Ohio, and then withdraw or are dropped from the program. Intensive interviews are to be conducted by the researcher to probe for the "real" reason for dropping out of the CEP and to learn where disenchantment with the program begins and why. This type of information will make possible revision in the program to make it more attractive to the target area residents.[17] A second study focuses on the CEP's effectiveness in increasing job opportunities for the disadvantaged, particularly youth, and its impact on enrollees, project staff, organizational operation, and participating companies.[18] Finally, a broader probe of potential problem areas and possible solutions is being made in a study centered on the Boston CEP. It will gather information on such items as the nature of slum unemployment, employer response to manpower programs, and the effectiveness of the various components of these programs in enabling specific disadvantaged groups to make the transition from unemployment to employment.[19] Efforts will be made in all of these studies to distinguish manpower problems and solutions which may be applicable to other geographic areas and to disseminate relevant findings to operating personnel in those localities.

A major area of emphasis in the program of research on Federal training activities has been the study of the Neighborhood Youth Corps.[20] One significant study, through interviews with rural youth and analyses of information obtained from rural school counselors, teachers, and officials, is attempting to determine how the NYC can best meet the needs of youth making the shift

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[15] *Factors in Workers' Decisions to Forego Retraining under the Manpower Development and Training Act*, by William F. Brazziel, Norfolk Division, Virginia State College, under contract with U.S. Department of Labor, Manpower Administration, 1964 (AD 603410).

[16] "Attitude Survey of Manpower Development and Training Act Trainees" (Ann Arbor, Mich.: University of Michigan, under contract with U.S. Department of Labor, Manpower Administration, in process).

[17] "Factors Influencing the Retention of Participants in a Concentrated Employment Program" (University Park, Pa.: The Pennsylvania State University, under contract with U.S. Department of Labor, Manpower Administration, in process).

[18] "A Study of the Impact and Effectiveness of the Comprehensive Manpower Projects of Cleveland" (Cleveland: Western Reserve University, under contract with U.S. Department of Labor, Manpower Administration, in process).

[19] "A Program and Policy Analysis of the Concentrated Employment Program—Boston, Massachusetts" (Cambridge, Mass.: Harvard University, under grant from U.S. Department of Labor, Manpower Administration, in process).

[20] For a further discussion of the Neighborhood Youth Corps, see the chapter on Meeting Individual Needs.

from rural to urban areas.[21] In general, the first phase of the study found that rural youth are leaving rural areas and migrating to the cities in increasing numbers, that this trend has been occuring with no current reversal in sight, and that rural youth suffer from social as well as geographic isolation. Even in the crucial area of employment experience, few opportunities exist for gaining job experience in an industrial setting. The researchers suggest that if the NYC is to be made effective, it must prepare the majority of rural youth for urban occupations and urban living. It is anticipated that, based on their findings, the researchers will recommend an effective rural NYC program.

Research has also been undertaken on private industry experience in hiring and training disadvantaged workers that will be of value in the operation of the Job Opportunities in the Business Sector (JOBS) Program, discussed earlier in this report.[22] For example, a study is assessing the impact of the Jobs, Education, and Training (JET) project on companies participating in that program in the Buffalo, N.Y., area.[23] It is anticipated that the study will identify any roadblocks in the program and provide insights into the participation of employers, supervisors, and coworkers in this effort to integrate hard-core jobless workers into the work force.

While research related to federally sponsored manpower training is primarily geared to current programs, attention also is being given to the future role and scope of Federal activity. Long-term program planning relies to a large extent on the manpower forecasting studies discussed earlier in this chapter. An attempt is now underway, however, to define more precisely the specific needs to which future manpower programs are likely to be addressed.[24]

[21] "Optimizing the Benefits of Neighborhood Youth Corps Projects for Rural Youth" (Minneapolis, Minn.: North Star Research and Development Institute, under contract with U.S. Department of Labor, Manpower Administration, in process).

[22] See the section on The JOBS Program in the chapter on Enlisting Private Industry Cooperation.

[23] "Research on a Project Combining On-the-job and Literacy Training for the Disadvantaged" (Albany, N.Y.: The State University of New York at Buffalo, under contract with U.S. Department of Labor, Manpower Administration, in process).

[24] "Research on the Universe of Need and Manpower Requirements for National Programs" (Washington: National Planning Association, under contract with U.S. Department of Labor, Manpower Administration, in process). This study is an outgrowth of the NPA study, *Manpower Requirements for National Objectives in the 1970's*, which is discussed in the earlier section on Manpower Requirements and Resources in this chapter.

FOREIGN TRAINING POLICIES AND PROGRAMS

Manpower policies and programs are important components of the economic and social policies of many foreign countries—particularly in Western Europe. The U.S. manpower research program has assessed some of the experiences of these nations in order to determine their possible relevance to the American scene.

One of the first studies funded by the Department of Labor under the MDTA was a comprehensive review of government-sponsored retraining programs for the unemployed in Western Europe.[25] The investigation concentrated on seven industrialized European countries with active retraining programs and manpower problems resembling those of the United States. The study focused on how these nations administer their retraining programs, how they determine future occupational requirements, how they place workers in jobs following training, and what provisions they make for financial maintenance of trainees and their families.

The most important lesson to be drawn from the postwar development of retraining programs in Western Europe, the study concluded, is that European countries have accepted government retraining programs as a permanent instrument of manpower policy, applicable to periods of manpower shortage as well as periods of unemployment. The author also found that early warning systems and subsidies for retraining of persons threatened with unemployment have been important in handling displacement in Western Europe and urged that these policies and techniques receive more careful study and consideration in the United States.

One of the most significant foreign manpower training programs is conducted under the British Industrial Training Act of 1964. The law provided, in part, for a system of pooling training costs within industries through levies on individual firms, accompanied by grants for training purposes. A recent study of the operation of this new scheme and its implications for possible American programs stressed the importance of accompanying financial incentives with effective systems of

[25] Margaret S. Gordon, *Retraining and Labor Market Adjustment in Western Europe* (Washington: U.S. Department of Labor, Manpower Administration, 1965) Manpower/Automation Research Monograph No. 4.

technical assistance to recipient firms.[26] This study was utilized by the President's Task Force on Occupational Training in Industry in its review of alternative approaches to expanding and improving training in the private sector of the U.S. economy.[27]

AN AGENDA FOR RESEARCH

The report of the Task Force, like this review of research, revealed gaps in the information needed for developing and evaluating training policies and programs. A first priority set by the Task Force is a comprehensive analysis of the nature and scope of training in business and industry, underscoring the importance of recent proposals for such studies by the Department of Labor. The studies to be undertaken should provide detailed information on enrollments in and completions of training programs, by occupation, industry, and type of training, and also on the characteristics of trainees. An attempt should be made to determine the critical factors in employers' decisions to train or not to train and to identify any institutional constraints on these decisions. Despite the known difficulties of obtaining information on training costs, new approaches are warranted. A better understanding of how firms arrive at their training (or nontraining) policies would greatly aid in the formulation of the incentives and assistance which will influence these policies.

There should be continuing research on how skills are acquired for critically important occupations and on the relative effectiveness of the different methods, with intensive studies of several of the principal methods. The specialized training problems of the disadvantaged and handicapped require additional study. It is also essential to learn more of the informal processes of on-the-job learning and the even more casual forms of pickup training through which most American workers acquire their skills.

Research also needs to be undertaken to assess the impact on the economy of training activity and particular training programs. For example, the significance of training policies and activity in reducing unemployment, stemming inflation, and advancing the rate of economic growth needs to be explored.

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[26] *Britain's Industrial Training Act*, by Gary B. Hansen, for the National Manpower Policy Task Force, under contract with U.S. Department of Labor, Manpower Administration, 1967 (PB 177145).

[27] See the chapter on Enlisting Private Industry Cooperation for a discussion of the Task Force's recommendations.

The processes by which workers find employment are of obvious concern in an active manpower policy directed toward better matching of workers and jobs. A series of recent research projects have been aimed, accordingly, at exploring the job market mechanisms that facilitate workers' search for jobs and employers' quest for workers and the barriers that stand in the way.

Job market studies in the past were directed largely to shifts in labor supply in response to changing wage rates. Recent studies diverge widely from that pattern. They show, for example, that different groups of workers go about the job search in different ways, but all too often without adequate information on job openings or help from any placement agency. Other studies underscore the already recognized fact that there is no single job market but rather a complex of more or less independent markets—national, State, and local, and in different occupations and industries—which impinge upon each other in largely unplanned ways. The internal job market within large firms has also been explored; this has provided new understanding of an internal market system both as to the advantages in facilitating adjustments to technological and other changes and in building career ladders and the disadvantages in barring outside workers from all but a few entry occupations. Still another group of studies is concerned with the institutional factors—employers' hiring standards, testing practices, provisions of collective agreements, and others—that present obstacles to a free and effective matching of workers and jobs, and especially to employment of the disadvantaged.

Altogether, the studies conducted so far have charted only small segments of the vast and complicated job market territory. They have, however, illuminated a number of critical problem areas, provided some significant improvements in job market mechanisms and techniques, and pointed the way for further research.

THE JOB SEARCH IN AN URBAN SETTING

Many things affect the way a man looks for a job, and differences may be pronounced and important in determining success or failure. In light of these differences, a number of recent studies have been concerned with the effectiveness of job-search techniques.

Among the first projects undertaken in this field under the MDTA was one that analyzed the jobseeking behavior of unemployed blue- and white-collar workers in the Erie, Pa., area in 1964, and the effectiveness of the sources used.[1] This study broke new ground in that it considered not only the way in which the worker went about looking for a job, but the way in which the method he used—and his success in finding one—were related to certain of his attitudes, values, and expectations. His persistence in efforts to reach a goal (achievement motivation), the degree to which he valued economic success (achievement values), and the extent to which he worried about being interviewed for a job (job interview anxiety) were found to affect the speed with which he started his job search and found a job, as well as the way in which he sought work.

Of the four jobseeking sources identified, friends and relatives were found to be the most frequently used; direct company application, unions, and the Employment Service followed in that order. Among those who located jobs through the Employment Service, compared with other jobfinders, more than 2½ times as many had low achievement value and high interview anxiety—irrespective of age or skill level. This suggests that jobseekers with these attributes benefit from having an intermediary between them and the ultimate employer.

For all skill groups, meaningful job market information was inadequate. Among the recommendations of the authors was that the Employment Service provide jobseekers with names of employers who employ workers with the same occupations and skills as the jobseekers.

Accordingly, a new study was launched to measure the effect of supplying such information to workers.[2] A sample of unemployed men registered

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[1] *The Job Hunt: Job-Seeking Behavior of Unemployed Workers in a Local Economy,* by Harold L. Sheppard and Harvey Belitsky, The W. E. Upjohn Institute for Employment Research, under contract with U.S. Department of Labor, Manpower Administration (Baltimore: The Johns Hopkins Press, 1966).

[2] *Supplemental Labor Market Information as a Means to Increase the Effectiveness of Job-Search Activity,* by David W. Stevens, Institute for Research on Human Resources, The Pennsylvania State University, under contract with U.S. Department of Labor, Manpower Administration, 1968.

with the Pittsburgh Employment Service office, who were looking for full-time, year-round work and had had at least 2 years of work experience (not limited to construction), received a list of local employers who had placed orders with the Employment Service for persons with similar attributes. During a 6-month period, 523 registrants were given such a list, and checks were subsequently made to discover how, when, and with what success the lists were used.

The lists proved to be of greater value to Negroes—who, as a group, were not well informed on sources of job information—than to whites. This type of supplemental job market information, by itself, was obviously not enough, but its significantly greater benefit for Negroes merits further study.

THE SMALL-CITY JOB MARKET

Because of the size and visibility of the unemployment problem in city slums, much recent job market research has focused on urban areas. But one target of recent redevelopment programs has been the job market inadequacies in depressed rural areas, with special attention to the employment potential in such areas. Underemployment is widespread in rural areas, and the rate of withdrawal from the labor force is related to job opportunities.

A recent study explored the availability of labor for six new factories in two small-city job markets—in generally rural regions of the country—a three-county area in northwest Arkansas and a five-parish area in north-central Louisiana.[3] While the new plants filled their jobs in a variety of ways, the principal sources of the new workers were the underemployed and those not previously in the labor force. No more than one-fourth of the workers in any of the firms studied came from among the unemployed. The availability of additional jobs, it was found, brought people back into the job market and also tended to slow or stem the flow of out-migration from the area.

When sufficient job opportunities were available, in-migration occurred. In-migration tripled in the northwest Arkansas area between the 1962–64 period and 1965 (whereas considerable out-migration had taken place between 1950 and 1958). The total labor force almost doubled between 1960 and 1966, as jobs increased. (Similar information was not available for the north-central Louisiana area.)

THE FARM JOB MARKET

The operation of the job market in rural areas is relatively less structured than in cities. Much more information and research are needed on the chaotic and uncertain nature of seasonal farm employment and the related problems of low wages, ease of entry, relationships with crew leaders, and lack of stability in employer-employee relationships, as well as the special problems surrounding the use of migratory farmworkers.

Indicative of the concern for agricultural labor problems are four contracts for research which have been awarded by the Department of Labor in 1968. One will be a study of employment patterns of both seasonal and year-round workers in the Lower Rio Grande Valley, with emphasis on the labor recruitment process, impact of workers who live in Mexico and commute for farm and nonfarm jobs on the U.S. side of the border, and other maladjustments in the job market; a second will be a study of the agricultural labor force, employment trends, and operations of the farm job market in the Northeastern States. The third will be a special study of labor requirements for the citrus crop; the last, an investigation of the manpower implications of mechanization for fruit and vegetable harvesting. Together, these studies will yield significant new information on the operation of the farm labor market.

The process by which Mexican American farmworkers drop out of the migrant stream and adjust to urban labor force requirements and opportunities is the subject of a study sponsored by the Department of Labor.[4] The study's interim findings—based on a sample of nearly 700 heads of households located in eight Michigan counties—revealed that most Mexican Americans in Michigan were

[3] *Industrial Recruiting Experience in Small City Job Markets*, dissertation submitted by Emmett Earl Wright to the Department of Economics, The University of Arkansas, under grant from U.S. Department of Labor, Manpower Administration, 1968 (PB 179749).

[4] *Mexican Americans in Michigan: From Field to Foundry*, by Harvey M. Choldin, Grafton D. Trout, Jr., and Alfred Wilson, Agricultural Experiment Station, Rural Manpower Center, Department of Sociology, Michigan State University, under contract with U.S. Department of Labor, Manpower Administration, 1968.

natural born United States citizens of Texas origin. The majority came from families that were in the migratory worker stream. Lack of stable employment in their place of origin and the availability of attractive jobs in Michigan communities were the chief reasons for settling there. Some of the migrants spent their first full year in Michigan in communities near the areas where they did farmwork, continuing into food processing in the winter. However, most of those who settled soon moved into middle-sized cities with industrial employment opportunities. The migration and settlement process proceeded with the aid of kinship networks, with early settlers helping their relatives in moving to the same community to join them. In most cases, finding the first jobs was accomplished without aid, by approaching employers unassisted.

While most settlers continued to hold strong attachments to their place of origin, almost all indicated that they intended to stay in Michigan.

With respect to employment, 4 out of 5 family heads interviewed held jobs as craftsmen, operatives, or laborers, with the majority classified as operatives. Mexican American workers seemed to work somewhat fewer hours and receive less pay on the average as compared with other workers in their respective industries. The majority of workers expressed satisfaction with and intended to remain in their present line of work. However, most also responded that they would like to change their line of work if they had the opportunity to do so, and two-thirds expressed willingness to enroll in job training to accomplish this.

Mexican Americans were generally optimistic about their opportunities and abilities to move up the socioeconomic ladder in Michigan. They felt that within a relatively short time they would be able to bridge most of the current status gap between themselves and Anglo-Americans. Moreover, they were more optimistic with regard to the socioeconomic level they felt their children would reach.

SPECIALIZED JOB MARKETS

The total job market is made up of many markets—local, regional, and national—serving different occupational groups. A number of recent studies throw light on the operation of some limited job markets and suggest possible solutions for a continuing manpower problem of recent years—shortages of high-level personnel in some professional and technical occupations and in the health services.

College Teachers

One such study assessed the effectiveness of academic markets in institutions of higher learning, where there has been a faculty shortage, with greatest scarcities in the areas of engineering, physical sciences, mathematics, and economics. Shortages have been met in a number of ways, with the lowering of hiring standards probably the most prevalent. Data for the study were obtained by querying college teachers who changed jobs at the start of the 1964–65 academic year as to the methods they pursued in locating their new jobs.[5]

The responses indicated that academic markets are national. In changing jobs, faculty members moved freely across regional boundaries. There was also considerable flow from academic to other employment and back again. Certain constraints decreased mobility—the tradition of hiring at the bottom and filling higher positions from within and the costs of job change, both to the institutions and the candidates.

As in the case of the more general (and local) blue-collar job market, ignorance of both positions open and possible candidates was the greatest single weakness in the job placement mechanism. This study has resulted in the establishment of two new job information exchanges for teachers.

Scientists and Engineers

Although scientists and engineers have been considered, at least potentially, in short supply, many of them can lose their jobs abruptly because of cutbacks in research and development work under Government contracts. A study of the unemployment and reemployment experiences of 1,184 scientists and engineers laid off by aerospace and electronics companies in the San Francisco Bay area reinforced previous findings concerning the

[5] *Placement Services for College Teachers* (Vol. I); *Academic Labor Markets* (Vol. II), by David Brown, University of North Carolina, under contract with U.S. Department of Labor, Manpower Administration, 1965; condensed and published as *The Mobile Professors* (Washington: American Council on Education, 1967).

difficulties such workers experienced in finding new jobs.[6]

Selection for layoff appeared to be based primarily on age, with little or no indication that skill obsolescence was considered. Advance layoff notices were short or nonexistent. Shifts in defense spending were the major reason for the layoffs. Contracts were often canceled on short notice. Instability was also created by poor manpower planning on the part of company managements. The uncertainty of employment was aggravated by the existing practice of several competitors for a defense contract simultaneously hiring enough engineers to demonstrate their manpower capability.

Again, lack of information on available jobs and available scientists and engineers was a major weakness of the job placement mechanism. Methods of job search were direct application, newspaper ads, help from friends, and personal contacts. The author recommended that the Employment Service publish and circulate lists of scientists and engineers looking for jobs, and that contractors be required by the Department of Defense to list all vacancies with State Employment Service offices. Some system of this kind would be helpful to facilitate readjustment of engineers in the event of a large cutback in defense expenditures.

Military Personnel in the Civilian Job Market

Since World War II, the draft has created continuing concern over the transferability of skills acquired in the military service to civilian jobs. In the last several years in particular, large numbers of officers and enlisted men have been leaving the Armed Forces each year (some 750,000 separated on completion of their tours of duty and some 60,000 retired). Because of concern over the massive readjustment which must take place in the shift from military to civilian employment, the President, in 1966, said that one of the new aims of manpower policy would be to ". . . make military service a path to productive careers."

Two studies of the employment problems encountered in the shift to civilian employment have been sponsored by the Department of Labor. One of these concerns men who retired from the Armed Forces during 1960 to mid-1964 (discussed in the later section on Equal Employment Opportunity); the other, men who separated from the Air Force in 1965 and 1966.[7]

This study of young men separated from the Air Force found that while four-fifths of the men located civilian jobs readily, the transfer of skills was selective, with technical skills most readily transferred. Enlisted men lacking technical skills most often found jobs in sales or the service areas, with resulting dissatisfaction. Over half of the men wanted counseling help and comprehensive, nationwide information about job opportunities before, rather than after, separation.

Because many of the author's recommendations for action to facilitate the veteran's return to civilian life in effect anticipated measures that have since been taken,[8] it was believed that his findings would be useful to many of the personnel working on veterans' programs, as well as to employers and the veterans themselves. The findings are being issued in pamphlet form by the Department of Labor[9] and will be widely distributed by the Employment Service, the Department of Defense, and the Veterans Administration.

Paramedical Personnel

The serious shortage of manpower in health occupations has been of concern in manpower planning and policy for some time. There is need now, the Secretary of Labor pointed out in the *1968 Manpower Report*, for half a million more workers in this field. For the next 10 years, he said, 10,000 new workers will be needed each month, not counting replacements. He listed three possible approaches to a solution of this manpower shortage: (1) Use present manpower more effectively—redesign jobs or create new ones, so that professional workers can use their highest skills, while supporting personnel take over the less demanding tasks; (2) make pay, working conditions, and

[6] *A Study of the Reemployment and Unemployment Experiences of Scientists and Engineers Laid Off From 62 Aerospace and Electronics Firms in the San Francisco Bay Area During 1963–65*, by R. P. Loomba, San Jose State College, under contract with U.S. Department of Labor, Manpower Administration, 1967 (PB 177350).

[7] *An Examination of the Transferability of Certain Military Skills and Experience to Civilian Occupations*, dissertation submitted by Robert Brooks Richardson to the Department of Economics, Cornell University, under grant from U.S. Department of Labor, Manpower Administration, 1967 (PB 177372).

[8] For a review of these programs, see the chapter on Meeting Individual Needs.

[9] *Transferring Military Experience to Civilian Jobs—A Study of Selected Air Force Veterans* (Washington: U.S. Department of Labor, Manpower Administration, 1968), Manpower/Automation Research Monograph No. 8.

career opportunities more attractive; and (3) bring about close cooperation between private health agencies, training institutions, and the government, to increase training capacity and raise the level of productivity in all health service occupations.

A number of studies reinforce the Secretary's findings and recommendations.[10] A local study covered 524 workers in 22 paramedical occupations in the Greater Boston area.[11] The hospitals covered in the study felt their hiring standards to be satisfactory, although nearly half reported that they had not changed the standards for many occupations for over 10 years. Meanwhile, job content had changed in many cases, and shortages existed in most, if not all, of the occupations surveyed.[12]

The conclusion was that hospitals should reexamine the whole paramedical structure, to determine actual job requirements of each occupation, with hiring standards made relevant to functions actually performed. Considerable overlap in functions was found. Licensed practical nurses, for example, who receive 12 or more months' training, performed many of the functions also performed by nurse aides, who receive only a few weeks of on-the-job training. Greater use of aides and assistants, many of whom can be trained on the job, and the development of job-promotion ladders, would tend to attract better personnel and reduce turnover. While hiring standards must be maintained at the minimum level required to provide needed quality, realistic standards could open many more jobs in health services for the educationally disadvantaged.

Another study examined the job market for paramedical occupations in the Chicago and St. Louis areas in 1963–64.[13] In two occupations—licensed practical nurses and medical technologists—employment had been expanding very rapidly in recent years, but moderate to severe shortages prevailed. Hospitals had not only failed to raise wages, but the authors said, "Some comments of hospital administrators . . . suggest . . . cooperation of varying degrees of formality among hospital operators to keep salaries of hospital personnel out of competition." In the case of licensed practical nurses, the St. Louis hospitals had failed to draw upon a large potential source of workers among Negroes in the community, although a large proportion of their employees in this occupation were Negroes.

Very little information on either occupation was available to prospective entrants. Improved dissemination of information, better counseling and guidance, and more active and directed recruitment would improve entry into the two paramedical jobs. Programs should be tailored to particular types of occupational shortages, the authors emphasize—no single solution will apply to all situations.

THE INTERNAL JOB MARKET

While the existence of a job market within a firm has long been recognized, most studies of job market operations have focused upon the external market, in which workers move from firm to firm, from employment to unemployment, from industry to industry, or from area to area. But since the Job Development Program was launched in 1965, added attention has been directed toward movement within the plant, with special attention to what such intraplant movement means to on-the-job training programs.

One study of the internal market in manufacturing plants presents a model of the process of adjustment between the labor force and the demands of blue-collar manufacturing jobs.[14] It was found that the internal market in each manufacturing plant, each firm or establishment, was connected to the external market at a limited number of entry ports. Differences between the skills and abilities of the labor force and the requirements of the blue-collar jobs in manufacturing were reconciled through a series of instruments over which the em-

[10] Other research on health manpower is discussed in the section on Manpower Requirements and Resources in this chapter.

[11] "Hiring Standards for Paramedical Manpower" (Boston: Northeastern University, under contract with U.S. Department of Labor, Manpower Administration, in process).

[12] Hiring standards are generally established by hospitals, although accrediting agencies and professional societies exert some influence.

[13] *The Shortage of Skilled and Technical Workers: An Inquiry into Selected Occupations in Short Supply*, by Walter Franke and Irvin Sobel, Institute of Labor and Industrial Relations, University of Illinois, under contract with U.S. Department of Labor, Manpower Administration, 1968 (PB 180367). Additional findings on four skilled trades in electronics and metalworking firms are discussed in the section on Occupational Training in this chapter.

[14] *Internal Labor Markets, Technological Change and Labor Force Adjustment*, by Peter B. Doeringer and Michael J. Piore, Harvard University, under contract with U.S. Department of Labor, Manpower Administration, 1966 (PB 174614). The study is also published in *Work Force Adjustments in Private Industry—Their Implications for Manpower Policy* (Washington: U.S. Department of Labor, Manpower Administration, 1968), Manpower/Automation Research Monograph No. 7, which also includes a report on a conference on the study held in May 1967.

ployer, alone or in conjunction with a union, exercised discretionary control. The most important variable of readjustment appeared to be inplant training, although recruitment, screening, and hiring practices were also relevant. Given these instruments and the apparent willingness of employers to effect adjustments through them, the authors concluded that persistent skill imbalances in the manufacturing sector appear unlikely.

Federal manpower programs, the authors recommended, should be directed toward: (1) Providing general training outside the plant in basic mathematical and verbal skills; (2) subsidizing inplant training programs where adjustment costs are likely to result in price increases; (3) subsidizing experimental training, screening, and recruitment programs as an incentive to developing new inplant adjustment techniques; and (4) developing procedures for increasing the flow of information among plants about the various adjustment techniques being used and their relative costs.

Any study of the internal job market is in essence also a study of labor mobility. The most common form of worker mobility—occupational—takes place in large part within the firm. But intrafirm mobility has received less attention than has interfirm mobility, which may be caused by plant shutdowns, depressions, or technological changes. For this reason, as well as the much larger postwar growth in white-collar than in blue-collar jobs, a recent study of blue- to white-collar job mobility assumes importance.[15]

While many factors contribute to the shift from blue- to white-collar work, the study showed that the employer's attitude as expressed in personnel policies was the most important single element. Education, experience, and training also influence who shifts and who does not.

Most of the men were young when they shifted. Most had been employed initially in unskilled jobs, but the shift tended to be from semiskilled or skilled jobs. The individual's education represented the most important element in moving to a professional or technical job, blue-collar experience in the shift to managerial and foreman jobs, while employee potential ranked highest in the shift to clerical and sales positions.

Overall, 22 percent of the men hired or promoted into white-collar jobs in the firms surveyed had some blue-collar experience. Shifts occurred more frequently in industries where employment had declined; where employment was growing fast, shifts were few. The Employment Service had little information about such shifts, undoubtedly because it is concerned almost entirely with the external market while most of the shifts were within a company (69 percent of those shifting into professional and technical jobs, 87 percent into managerial and foreman jobs, and 55 percent into clerical and sales jobs).

The authors recommend that the Employment Service attempt to identify potential shifters and place them in white-collar clerical jobs with employers who have been informed about the prospect of success in such shifts. Counseling on what kinds of blue-collar experience and schooling may lead to white-collar work, with special emphasis on the value of part-time schooling and on-the-job training programs to encourage shifts, were also recommended. The study has been distributed to all State Employment Services, with a program letter calling attention to its possible implications in opening opportunities for Negro blue-collar workers.

The role of education and training in progression on the job was also investigated in a study undertaken by Columbia University.[16] The data were obtained from personnel records of five firms in a large metropolitan job market—two utilities, two department stores, and one auto assembly plant—for a sample of male employees born in 1935 or later who did not have baccalaureate degrees at the time they were hired.

The study found that the jobs these young men held after several years of employment generally did not make use of all their education. They were more likely to be using specific skill training acquired in school, in the military, and at work. Such training was also a factor in meeting the initial hiring criteria, although men without vocational school diplomas or relevant military training were acceptable as employees.

Once a worker was hired, his position and prospects were largely determined by company struc-

[15] *Blue- to White-Collar Job Mobility*, by James L. Stern and David B. Johnson, Industrial Relations Research Institute, University of Wisconsin, under contract with U.S. Department of Labor, Manpower Administration, 1968 (PB 177360). The sample included men hired for or promoted into white-collar jobs in Milwaukee County in 1961 and 1962, in a 10-percent sample of employing units in the county covered by unemployment compensation.

[16] *The Process of Work Establishment*, by Marcia Freedman, Columbia University, under contract with U.S. Department of Labor, Manpower Administration (New York: Columbia University Press, 1969).

ture. In none of the firms was prior education and training a major determinant of wages. A few workers with special training or experience started at a higher rate, but in time this advantage disappeared. The most important determinants of intrafirm wage differentials were length of service and the number of occupational titles, lateral shifts as well as promotions, an employee had had.

INEFFICIENCIES IN THE JOB MARKET

The existence of barriers to employment, even when the person seeking work is able and willing to do the job, became increasingly evident as the manpower program developed. They came into sharp focus as attempts were made to serve the disadvantaged—members of minority groups, persons with little education or skill, the young, the old, the handicapped—on whom the programs have their greatest impact. This section is concerned principally with research on institutional barriers met in the job search.[17] Some of these barriers arise from employer practices, some from union-management agreements, and some from other circumstances.

Employer Practices

Employer personnel practices have been a research target, because they often mean success or failure in the job search. Hiring standards and employment tests are most relevant here.

Hiring and Promotion Standards. Most hiring standards are screening devices, designed to select people with a high probability of successful performance on the job. Even when faced with labor shortages, many employers appear unwilling to reduce such standards, although recent experience with the JOBS Program has had some influence on this attitude. The major barrier created by employer practices, affecting the less-skilled segment of the labor force, is the requirement of a high school diploma or its equivalent for many, if not most, jobs. Preemployment testing and physical examinations may also present insuperable barriers to the more disadvantaged workers.

[17] Barriers to employment which arise from discrimination because of race, age, or sex are discussed in the section on Equal Employment Opportunity in this chapter.

The requirement of a high school diploma or its equivalent, often without regard to its relevance to the requirements of the job, had become almost standard practice until recent manpower programs focused attention on the job needs and qualifications of the educationally deprived worker. Wartime experience had shown that men with little education were trainable and could become efficient workers. But as the general level of education increased, requirement of the high school diploma became widespread. Students of the problem generally agree that unskilled workers can be profitably employed.[18] Many jobs have remained unchanged, while entrance standards have become increasingly stringent.

A recently completed study of employer hiring practices [19] indicates that employer skill specifications, though not their preferences, may be lowered under tight job market conditions, and that factors other than skill, such as character, personality, attitudes, and grooming, are also considered. Some job requirements are related to future promotion rather than to the immediate job to be filled. Clerical and machine-operation occupations, for instance, were found to provide career potential, while others, such as hospital aide and nonmanufacturing porter, tended to be dead-end jobs.

An ongoing research project is testing the soundness of company hiring requirements against actual job performance requirements.[20]

Testing. Preemployment testing is often an especially formidable barrier to employment of school dropouts, the culturally disadvantaged, and others without a good command of the English language. Tests often have little or no relationship to job requirements; testing may be looked upon with fear and hostility by the persons tested; and differences in background between tester and job applicant may be so great as to distort results.

One study, which examined testing practices primarily from the viewpoint of their implications for Negro job applicants, has direct bearing

[18] "Conference on Unskilled Workers in the Labor Force: Problems and Prospects, Proceedings," cosponsored by The School of Business, New York University and The President's Committee on Employment of the Handicapped, September 1966.

[19] *A Comparative Study of the Employee Skill Training Acceptable to Employers Under Varying Degrees of Labor Market Stringencies*, by W. Halder Fisher, Battelle Memorial Institute, Columbus Laboratories for the U.S. Department of Health, Education, and Welfare, Office of Education, 1968.

[20] "A Study of the Relationship of Industry Hiring Practices to the Employment of Disadvantaged Groups" (New York: New York University, under contract with U.S. Department of Labor, Manpower Administration, in process).

on the impact of such practices on the undereducated, the inexperienced, and the unskilled, without regard to race.[21]

This study found that:

> In one of the local plants studied, fifteen Negro workers were employed on a production line in assembly work. Due to production pressures, these workers were hired without the usual Wunderlicht battery of tests. After a six-month period, the workers were given the tests. In spite of the fact that each one of the workers had received a satisfactory supervisor rating on the job, not one of the fifteen received a passable test score!

The Department of Labor recently moved to prevent the occurrence of such episodes in employment under Federal contracts (as indicated in the section on Equal Employment Opportunity later in this chapter, where the results of the study are also discussed further).

The Department has also undertaken broad research aimed at developing more appropriate testing procedures for the disadvantaged. Prior to the 1960's the major test used by the Employment Service in selecting workers for placement and in vocational counseling was the General Aptitude Test Battery (GATB). As the MDTA training program got underway, however, it soon became clear that the verbal material in some of these tests "screened out" those most in need of training and other manpower services. Use of the parts of the GATB that require reading ability was discontinued in many cases, and a long process of developing new and more appropriate tests was started, directed to "screening in" the disadvantaged. Among the new tests are nonreading alternates to the GATB aptitude tests. Procedures were developed to help insure that the tests were appropriate, and a set of pretesting orientation exercises was developed for use with persons whose test-taking experience was limited.

Research was undertaken, aimed at developing occupational literacy tests—achievement tests of reading and arithmetic skills which will help determine the type and amount of training in these basic skills needed to meet the requirements of specific occupations and occupational training. Experimentation has been undertaken also with work sample techniques of ability assessment for use with persons so severely disadvantaged that conventional testing is not feasible. Particular effort is being made to include minority group members in test samples and to conduct studies that directly compare the validity of tests for minority and nonminority group members. Research is underway also to determine the extent to which interpretation of test scores must take into consideration the limited cultural exposure of many of the persons to be counseled.

[21] *The Negro and Equal Employment Opportunities: A Review of Management Experience in Twenty Companies*, by Louis A. Ferman, University of Michigan, under contract with U.S. Department of Labor, Manpower Administration, 1966 (PB 176721).

Union-Management Agreements and Practices

Agreements between unions and managements affect both employers and workers at many points. Under the mandate contained in title I of the MDTA, special attention has been directed toward research concerning the effect on labor mobility of a variety of agreement provisions.[22]

Private Pension Plans. The first study funded under the MDTA surveyed the implications for worker mobility of private pension plans, with particular attention to provisions on vesting, early retirement, and portability of pension credits.[23] Such provisions—and only a handful of the plans studied lacked at least one of them—tend to make movement easier for the worker because they enable him to retain his rights to a pension if he changes employers, once he meets minimum age and service requirements (age 40, with 10 or 15 years' service, for example).

The key issue, the study found, was the influence of such provisions on the willingness of the worker with substantial service under the plan to change jobs.[24] A worker close to meeting the age

[22] Studies of apprenticeship are discussed in the sections on Occupational Training and Equal Employment Opportunity in this chapter.

[23] *Labor Mobility and Private Pension Plans—A Study of Vesting, Early Retirement, and Portability Provisions*, by Bureau of Labor Statistics, under contract with U.S. Department of Labor, Manpower Administration (Washington: U.S. Department of Labor, 1964), BLS Bulletin No. 1407. Vesting and early retirement give the eligible worker deferred rights to his accrued pension benefits, payable usually at either the early or the normal retirement age specified in the plan. Portability provisions permit the worker to move only among the covered employers in multiemployer plans but at any age, without loss of service credits. Portability provisions are concentrated in clothing, motor and water transportation, and construction, which are characterized by intermittent, seasonal, or casual employment, and were the only protection offered 1 of every 7 workers in the plans studied.

[24] The potential impact on mobility of workers of vesting, early retirement, and portability could not be measured directly, since no information was available on the age and length of service of workers covered by such plans. The 16,000 plans covered in the study applied to a total of 15.6 million workers, and all but 600,000 of these were in plans which contained one or another of the provisions that were analyzed. The coverage of the plans was concentrated in manufacturing, transportation, public utilities, and contract construction.

and service requirements may feel "locked in," since he does not want to forfeit a valuable asset. And by the time he can meet the requirements, he is usually old enough to have difficulty in finding another job, especially one covered by another pension plan. An employer might be reluctant to hire an older worker if the pension plan provides for early retirement or if the worker would be unable to satisfy the service requirements for a pension by the time he reached normal retirement age. Moreover, pension costs tend to increase with the age of hiring. All of these considerations would tend to inhibit the worker approaching middle age from shifting to another employer.

The probable impact on worker security as well as worker mobility was judged to be sufficiently significant by the President's Advisory Committee on Corporate Pension Funds and Other Private Retirement and Welfare Programs so that it recommended in 1965 that private pension plans be required to provide vesting rights. This recommendation was the subject of much discussion among pension planners and negotiators. In 1968, the Department of Labor proposed legislation of the kind recommended—the Pension Benefit Security Act. The bill was not acted upon by the 90th Congress.

Severance Pay and Layoff Benefit Plans. Severance pay has often been advocated as a device to promote labor mobility, in that it may help a displaced worker to find other employment and meet his expenses during his job search. Two studies by the Department of Labor show, however, that severance payments, in general, have not been important cost items to employers, and that the number of workers receiving such payments has been relatively small.[25] The direct effect of severance pay on mobility appeared to be neutral; that is, the practice did not significantly impede mobility nor did it, in practice, significantly enhance it.

The studies concluded, however, that, even within existing purposes and cost limits, severance pay plans have a potential for enhancing mobility that is not currently being utilized. New approaches require revisions in traditional attitudes in the direction of adapting plans more specifically to the reemployment needs of separated workers. This requires provision of, or payments for, retraining opportunities and relocation, if necessary, which would equip the displaced worker for other employment.

Supplemental Unemployment Benefits (SUB). When the first supplemental unemployment benefit plans were negotiated in 1955, there was much speculation about the effect of this kind of modified income guarantee on the unemployed worker's willingness to seek work and on the employer's flexibility to adjust the size of his work force. At least a partial answer to these questions became available in 1968 with the completion of a study of the first decade of SUB experience, which also gives major developments since 1965.[26] The core of the study is a detailed analysis of plans negotiated in the steel, automobile, rubber, and cement industries (covering about three-fourths of the slightly more than 2½ million employees under SUB).

These plans, the author concludes, have had little effect on either the supply of workers or the demand for labor. Both regular SUB and the shorter workweek benefit seem to have reinforced employers' incentives to stabilize employment, with a tendency to work a smaller work force for longer hours. On the supply side, SUB has helped maintain the employers' work force during temporary layoffs. There was also some evidence, among the high seniority workers who are usually the last to be laid off, of a preference for layoff over work. Nevertheless, on balance, the plans have met the parties' principal objectives—for workers, help in meeting the threat of unemployment; and for employers, lessened worker resistance to technological or other change, help in maintaining the labor force intact during temporary layoffs, and also in inducing workers to accept a layoff rather than exercise their "bumping" rights under the seniority system.

The study also found that, in effect, SUB payments have offset the State-to-State differences in unemployment benefits for covered workers. SUB payments are higher where unemployment insur-

[25] *The Operation of Severance Pay Plans and Their Implications for Labor Mobility,* by Bureau of Labor Statistics, under contract with U.S. Department of Labor, Manpower Administration (Washington: U.S. Department of Labor, 1966), BLS Bulletin 1462 and *Major Collective Bargaining Agreements: Severance Pay and Layoff Benefit Plans* (Washington: U.S. Department of Labor, 1968), BLS Bulletin No. 1925–2.

[26] *Supplemental Unemployment Benefits,* by Joseph M. Becker, S.J., Cambridge Center for Social Studies, under contract with U.S. Department of Labor, Manpower Administration, 1968 (PB 178389); adapted for publication as *Guaranteed Income for the Unemployed: The Story of SUB* (Baltimore: The Johns Hopkins Press, 1968).

ance benefits are lower. This demonstrates a major advantage of private plans; they can be tailored to fit the individual situation. Together, SUB and UI benefits have provided laid-off workers with approximately 72 to 84 percent of their normal take-home pay during spells of unemployment, and few workers have exhausted their SUB benefits. In considering the implications of his findings for the possible liberalization of UI benefits, the author concluded:

> To liberalize UI benefits to that extent [where they equal those under SUB] would greatly increase, possibly double, UI taxes. It would also increase the number of improper payments in UI and probably lessen somewhat the mobility of labor. For all of these reasons, there is little immediate likelihood that UI will be liberalized to that extent. Nevertheless, the example of SUB has not been without its influence on UI. The knowledge that these higher benefits have been available to large numbers of workers for over a decade inevitably prepares the mind to accept UI benefits at least somewhat higher than have been paid traditionally. This influence of SUB on UI is likely to grow as the liberalization of SUB continues and as its successful experience becomes more widely known.

Occupational Licensing

Occupational licensing had its genesis as a means of protecting the consumer. Little attention has been devoted to the effects of such licensing on job entry and mobility in nonprofessional occupations. The available evidence suggests, however, that licensing practices create serious obstacles to entry into a number of occupations, including some characterized by labor shortages.

A pilot study which opens an almost unknown field explores the feasibility of obtaining, nationally, information on the impact of such licensing practices. The survey covered the five largest States in the major geographic regions—New York, Florida, Illinois, Texas, and California,[27] and some of the larger communities in these States.

Variation in licensing was so great that generalization was impractical. The occupations covered by license differed greatly among local government units (counties and cities) and States. One occupation, aircraft mechanic, was licensed by a Federal agency.

For a given occupation, requirements varied not only from State to State, but from city to city within a State. Many of these requirements were relics of a bygone era. Reciprocity agreements between States, or between municipalities, likewise followed no pattern.

Other findings suggest the kinds of obstacles to entering an occupation that licensing procedures may create:

—Little effort is made to see that applicants understand the requirements or procedures they must follow to get licenses; most licensing boards merely send out copies of the law and regulations; and some application forms call for irrelevant information.

—Some licensing boards insist on training in an institution "accredited" by the board.

—While application and licensing fees seem nominal, hidden costs (for example, several trips to take an examination before passing) sometimes amount to several hundred dollars.

—Examinations tend to emphasize the recall of trivial facts, and some are completely out of date, thus requiring applicants to learn—and accredited institutions to teach—nonessential information.

—Few boards that employ work-sample assessment techniques use a standardized rating procedure, and some boards appear to use written tests as a device for exclusion.

—In the absence of reciprocity agreements, both State and local licensing practices may impede geographic mobility.

Two followup studies are now underway. The researchers who conducted the pilot study will examine more intensively the qualitative problems it revealed. The second study will cover three States, to determine whether quantitative information can be obtained on licensing, and whether a nationwide survey would help to indicate the scope of the problem. Both of these studies are being conducted under research contracts with the Department of Labor.

NEEDED DIRECTIONS OF RESEARCH

This skimming of recent research on job market problems makes clear, above all, the partial and tentative nature of present knowledge on this sub-

[27] *A Pilot Study to Determine the Feasibility of Investigating Nationally the Impact of Licensing Practices on the Availability and Mobility of Non-Professional Manpower in Occupations Where Skill Shortages Exist*, by Benjamin Shimberg and John V. Moe, Educational Testing Service, under grant from U.S. Department of Labor, Manpower Administration, 1968 (PB 178306).

ject. It is evident that answers to a number of key questions must await more comprehensive research than has yet been possible.

There is, for example, persuasive but no more than fragmentary evidence that educational requirements for employment are often unrelated to actual work requirements and unnecessarily bar the undereducated from many jobs. This is an area that deserves far more extensive study. Whether physical examinations unnecessarily screen out workers is a related question on which there is even less information. Relatively little is known about preemployment tests and testing procedures, and the extent to which it would be possible and desirable to make wider use of the culture-free tests and other assessment techniques now being developed.

With respect to the effect of union-management agreements on workers' entrance into jobs, the available information is limited almost wholly to analysis of the contract provisions. Here, the need is for studies of how these provisions are translated into action and of their impact both on the workers covered and on those outside who are seeking jobs. Two studies recently begun by the Department of Labor on the role of seniority in promotion and transfer within the plant and between plants illustrate the needed emphasis.

A generalization already possible from the available research is the widespread inadequacy of workers' information about job opportunities and the frequent reliance, especially among those in lower level occupations, on informal sources of job leads rather than the public Employment Service or other placement agencies. The general outlines and magnitude of the problems are clear enough. Effective solutions remain to be developed, but here, too, a considerable start has been made—through the Employment Service's greatly increased and active efforts to reach workers in urban slums and its new programs (still hardly more than pilot projects) to provide service to those in impoverished rural areas.[28]

It is essential to continue and build upon these hopeful beginnings. There is need also for experimental efforts to devise better ways of communicating job information to jobseekers—for example, by tapping the channels of communication which already exist within slum neighborhoods or giving the information systematically to an employer's present work force for communication to their friends and neighbors. There is a similar need to experiment further with new mechanisms for bringing placement and other services to workers whose job search is still largely unaided.

[28] See the chapter on Meeting Individual Needs.

Public policy and legislation combating discrimination in employment are not of recent origin, although the most intensive efforts in modern times to assure equal employment opportunity are identified with the 1960's, particularly with the Civil Rights Act of 1964. The employment provisions of that act, in title VII, forbid discrimination in any feature of employment on the basis of sex, as well as race, color, religion, or national origin. The provision of title VII for a full-scale study of employment discrimination based on age ultimately led to the Age Discrimination in Employment Act of 1967.

The research on discrimination in employment, which has gone hand in hand with the development of policy and corrective action, is the topic of this discussion.[1] Most of the studies have been concerned with discrimination based on race or color, and the emphasis has paralleled the perceived nature of discrimination and its consequences for the victims. But whether the studies concern women workers, older workers, or workers who are members of racial or ethnic minorities, efforts to measure differential patterns of employment, income, labor force participation, unemployment, and the like outnumber analyses of the underlying causes or of changes in the patterns.

Discrimination is a subject on which research may have limited long-term value. Changes in law help to define discrimination. But the definition of discrimination, although seldom stated explicitly, has also changed in response to rapid changes in the economy and in the attitudes and behavior of those affected by discrimination as well as those who practice it. The results of research may also quickly affect discriminatory practices.

Discrimination in employment has been viewed as failure to evaluate all applicants for a particular job by the same objective standards which are related to job performance. Various "objective justifications" for departure from this principle have been accepted by different agencies and different researchers. There is, moreover, growing realization that discrimination in employment may result from such equal application of institutional rules and procedures—for example, recruiting through present employees or using the same preemployment tests of physical or mental capacities for all applicants. More recently, discrimination in employment has come to be seen by some civil rights groups in terms of a "fair" proportion of minority group members in every job category, in effect defining "equality of opportunity" as "equality of result." Other civil rights groups have called for compensatory action in the field of employment to make up for past discrimination.

The probability of further definitional changes argues for continuing research. It will be important to clarify underlying assumptions and to develop useful measures of the relative importance of the different factors that produce discrimination.

RACIAL AND ETHNIC MINORITIES

Differential Patterns in Employment

Most studies of differential patterns of employment have dealt with racial or ethnic minorities. Allowances have often been made for differences in education,[2] age, geographic location, and industrial distribution. After differences attributable to these factors are eliminated, the studies indicate that, with the exception of American Indians, Negroes are in a more disadvantageous position than any other group. This is true at all levels of education and in all parts of the country.

A number of the studies of minority employment practices result from hearings by or reports to the Equal Employment Opportunity Commis-

[1] This review is limited to federally sponsored research and hence excludes a number of studies conducted by State or city antidiscrimination agencies. It also excludes the regular statistical reports on minority employment in the Federal Government by the Civil Service Commission.

One of the major sources for this review is an unpublished paper on research into discrimination in employment, which is being prepared by Dale L. Hiestand of Columbia University for the National Manpower Policy Task Force, under contract with the U.S. Department of Labor, Manpower Administration.

[2] *Graduates of Predominantly Negro Colleges—Class of 1964*, by Joseph H. Fichter, S.J., National Opinion Research Center, under contract with U.S. Department of Labor, Manpower Administration and U.S. Department of Health, Education, and Welfare (Washington: U.S. Government Printing Office, 1967). Public Health Service Publication No. 1571; *Racial Isolation in the Public Schools, A Report of the U.S. Commission on Civil Rights* (Washington: U.S. Government Printing Office, 1967); and *Equality of Educational Opportunity*, by James Coleman and others, for U.S. Department of Health, Education, and Welfare, Office of Education (Washington: U.S. Government Printing Office, 1966).

sion (EEOC). Most of these emphasize the numbers of Negroes and other minority group members employed overall and in particular occupations and localities. An overall study [3] based on the 1966 annual reports to EEOC pointed out that Negro, American Indian, and Spanish-surnamed men were underrepresented, relative to Anglos, in all six of the highest paying occupational groups—crafts, professional, managerial, technical, clerical, and sales jobs—and overrepresented in all three of the lowest paying occupations—operative, laborer, and service jobs. Negro women were especially heavily overrepresented in the service occupations and Spanish-surnamed women in the laborer occupations. For Negroes as a whole, indexes of occupational position, as measured by their average earnings in each of 79 occupational categories weighted by employment, are much lower in the South than in other regions. The study found that, for Negro men, industry occupational indexes were negatively related to the proportion of industry employment in the South and in higher paying occupations, median years of school completed, and the proportion of Negroes in the industry.

In addition, the EEOC has made special studies of minority group employment in various industries and regions of the United States. Among the special industry studies are those of Negro employment in the textile industries of North and South Carolina, in contract construction, in drug manufacturing, in rubber plants in Ohio, and in utilities. Geographic studies covered white-collar employment for minority groups in New York City; employment opportunities for Negro, Puerto Rican, and Jewish executives in selected New York industries; [4] and the situation of Mexican Americans in the Southwest and in the United States.

In the New York City surveys, the 100 major corporations reporting trailed the financial and communications industries in employment of both Negroes and Puerto Ricans in all white-collar jobs, and had either no Negroes or Puerto Ricans or an insignificant number in management positions. Banking and insurance ranked high in overall employment of members of both minority groups, but employment was concentrated in clerical jobs. Accounting and law firms ranked lowest in employment of minority group members. Wide variations among these white-collar industries and among firms within the different industries were interpreted by the Commission as prima facie evidence of discrimination by those firms and industries employing fewer Negroes.

Some of the research has analyzed changes in employment differentials over time. Thus, an early study under the MDTA research program found that the occupational position of Negro men relative to white men had changed very little between 1910 and 1930, deteriorated during the 1930's, and then improved during the 1940's and 1950's.[5] Subsequently, a joint study by the Bureau of the Census and the Department of Labor revealed that the number and percent of nonwhite workers in many of the better skilled jobs increased substantially from 1960 to 1967.[6] For example, 80 percent more nonwhites were in professional and technical jobs, 77 percent more in clerical jobs, and 49 percent more were working as craftsmen and foremen. In 1967, for the first time, substantially more than half of all nonwhite workers were employed in white-collar, craftsman, and semiskilled occupations. Another indication of improvement was that large numbers of nonwhite families were moving into the middle-income brackets—27 percent reported above-average incomes ($8,000 or more) in 1967, compared to 9 percent in 1957; outside the South, 37 percent of nonwhite families were in the $8,000 or more income group.

Institutional Barriers to Equal Opportunities

A number of recent studies have pointed up the barriers to equal employment opportunity presented by institutional processes built into tradi-

[3] *Minority Employment Patterns, 1966*, by Orley Ashenfelter, Princeton University, for W. E. Upjohn Institute for Employment Research, under contract with U.S. Department of Labor, Manpower Administration and Equal Employment Opportunity Commission, 1968 (PB 180385).

[4] *Employment Opportunities for Minorities in New York City, White-Collar Employment in the New York City Financial Community, White-Collar Employment in 100 Major New York City Corporations, White-Collar Employment in the New York City Communications Industries*, and *"Restricted Membership" at the Management Level: Exclusion of Jews from the Executive Suite* (Washington: Equal Employment Opportunity Commission, January 1968).

[5] *Economic Growth and Employment Opportunities for Minorities*, by Dale L. Hiestand, Columbia University, under contract with U.S. Department of Labor, Manpower Administration (New York: Columbia University Press, 1964).

[6] *Recent Trends in Social and Economic Conditions of Negroes in the United States* (Washington: U.S. Department of Labor, Bureau of Labor Statistics, and U.S. Department of Commerce, Bureau of the Census, July 1968). BLS Report No. 347 and Current Population Reports, Series P–23, No. 26.

tional hiring and promotion polices. One such study was that of the application of equal employment practices in 20 companies and their impact on minority group employment.[7] While all of the companies reported some progress in equalizing opportunities, the general feeling was that shortages of adequately trained Negroes hindered any dramatic change. There was a pronounced tendency to blame the inferior educational and social background of the Negro for his job difficulties and thus to see the community, rather than industry, as responsible.

Satisfaction with the Negro workers' job performance was general, although more pronounced in regard to the highly trained technical and professional workers than to the unskilled. Unions for the most part opposed Negro employment only when it conflicted with their longstanding institutional values—such as seniority and apprenticeship. Few white workers in the companies felt that Negroes were discriminated against in job opportunities, but most Negro workers believed they suffered discrimination. One of their major complaints was that they received little help from white workers in informal, on-the-job training or in learning job information that would be useful in promotion. As a group, Negro workers felt that their lack of opportunity was "more a matter of their skin color than their lack of training," but most were unwilling to apply for jobs for which they felt qualified and afraid to jeopardize their jobs by filing discrimination complaints.

This study also suggested guidelines for affirmative action in the formulation of an equal employment opportunity policy. These guidelines spell out the kinds of problems employers may confront in efforts to establish equality of employment, and the types of changes that may be required in such practices as recruiting, hiring, placement, and the creation of new jobs and in the seniority, apprenticeship, and similar provisions of collective agreements.[8]

A considerable amount of research on testing procedures in employment, vocational guidance, and education is underway, but few definitive studies have thus far been completed. Some evidence that tests may not be relevant to the job is presented in the section on Job Market Processes in this chapter. Further study of the extent to which current employment tests are valid indicators of work performance for minority applicants for clerical and blue-collar jobs with Federal contractors will follow from an order issued on September 9, 1968, by the Secretary of Labor. This order directs contractors using tests for these job categories to have available empirical evidence demonstrating the validity of the tests. Also, if a contractor's records show differential rates of rejection for candidates from different ethnic groups in certain types of jobs and thereby suggest discrimination, the contractor may have to give evidence of the validity of unscored application forms, interviews, and education and work histories, as well as tests. The order provides that only where seniority provisions and job progression programs would mean quick promotion may candidates be tested for a higher level job; otherwise, tests must apply only to the entry job.

Attitudes of union members and traditional procedures of unions may also work to shut out minority group members from employment for which they are otherwise qualified.[9] For example, unions, and frequently employers as well, have often opposed changes in apprenticeship programs, since such changes may conflict with established job rights.

Because of the critical importance of apprenticeship as an entry route to many of the skilled crafts, in 1965 the Department of Labor sponsored a study of Negro apprenticeship, focusing mainly on the building trades in 10 large cities.[10] The authors found that, although discrimination was an important explanation for the virtual exclusion of Negroes from apprenticeship, the lack of qualifications and interest among Negro boys was becoming more important. Few Negroes could be found who could, without special help, survive both the written examinations given most candidates and the interviews to determine the candidates' interests. The same would probably be true of youth from other ethnic minorities.

[7] *The Negro and Equal Employment Opportunities: A Review of Management Experiences in Twenty Companies,* by Louis A. Ferman, University of Michigan, under contract with U.S. Department of Labor, Manpower Administration, 1966 (PB 176721).

[8] These guidelines are summarized in *Finding Jobs for Negroes: A Kit of Ideas for Management* (Washington: U.S. Department of Labor, Manpower Administration, 1968), Manpower Automation/Research Monograph No. 9.

[9] Some of these practices are discussed in the section on Job Market Processes in this chapter.

[10] *Negro Participation in Apprenticeship,* by F. Ray Marshall and Vernon M. Briggs, Jr., University of Texas, under contract with U.S. Department of Labor, Manpower Administration, 1966 (PB 177568); published as *The Negro and Apprenticeship* (Baltimore: The Johns Hopkins Press, 1967).

The authors' recommendations included: A strengthening of antidiscrimination measures; encouragement of voluntary equal employment programs by employers and unions; and provision for special tutoring, recruiting, and counseling to increase the supply of qualified Negroes. In connection with the last suggestion, the report cited the success of the Workers' Defense League in New York, which had gained both employer and union support.

In February 1968, after negotiations between the Department of Labor and the Building and Construction Trades Department of the AFL–CIO, 8,500 local unions were instructed to take affirmative action in the recruitment of Negroes for apprenticeship and in support of training and jobs for Negroes, including outreach programs subsidized by the Department of Labor.

Currently these programs are being supported by manpower and social action agencies and by building and construction trades councils in 44 industrial areas and have thus far placed more than 1,650 minority group members in apprenticeship programs.

The Secretary of Labor has announced that, as of June 30, 1968, an estimated 8,100 Negroes were participating in apprenticeship programs—3,900 more than were registered at the end of 1966.[11]

Discrimination, Employment, and Riots

Witnesses before the National Advisory Commission on Civil Disorders (the Kerner Commission) strongly emphasized the issue of racial discrimination in connection with problems of unemployment and underemployment among Negroes.

In its report,[12] the Commission underlined the importance of steady work with adequate pay not only in providing purchasing power and social status, but also in developing the capabilities, confidence, and self-esteem an individual needs to be a responsible citizen. For decades, the report pointed out, "social, economic, and psychological disadvantages surrounding the urban Negro poor have impaired their work capacities and opportunities. The result is a cycle of failure. The employment disabilities of one generation breed through the next." Even more important than the fact that the rates of Negro unemployment were still double those for whites in all corresponding age and sex categories, the Commission said, is that employed Negroes are all too often in low-status and low-paying jobs with little opportunity for advancement. Negro men, in particular, are more than twice as likely as white men to be in low-paid, unskilled, or service jobs.

The Commission estimated that, if Negro men were upgraded in employment so that their occupational distribution were identical to that of the male labor force as a whole, their total earned income would be about 30 percent higher than it is (at 1965 income levels). By contrast, reducing the Negro unemployment rate to the level of the white rate would add less than 10 percent to the Negroes' aggregate earnings, even if they found jobs at the pay level prevailing for white men. The Commission also estimated that the number of additional jobs needed to lower Negro unemployment to the rate of white unemployment is small—about 409,000 jobs. This is about 28 percent of the net number of new jobs added to the economy in 1967 alone, and only slightly more than one-half of 1 percent of all jobs in the United States in that year.

The failure of nonwhite men in poverty areas to get jobs that will support a family is directly related to family status. In 1967, the proportion of men either divorced or separated from their wives was over twice as high among unemployed nonwhite men as among those employed. Moreover, labor force participation was almost one-fifth higher for married men living with their wives than for those with wives absent. While the great majority of nonwhite family heads are men, the proportion of nonwhite families headed by women is more than twice as high as that of white families.

In its survey of cities where racial disorders occurred in 1967, the Commission found that Negroes were twice as likely as whites to hold unskilled jobs—which were often seasonal, part time, and dead end. More than 20 percent of the rioters were unemployed, and many of those with jobs were only marginally employed, and in jobs which the rioters believed were below their level of ability. Of the Negroes who said they would join in a possible future riot, 43 percent said they had been denied a job because of discrimination, and 60 percent believed many Negroes today are discriminated against in hiring. In contrast, of

[11] *News*, U.S. Department of Labor, October 7, 1968.

[12] *Report of the National Advisory Commission on Civil Disorders* (New York: Bantam Books, Inc., 1968).

those who were unsympathetic to rioting, only 21 percent felt they had missed out on jobs because of discrimination, and only 31 percent believed that many Negroes were discriminated against.

Two Department of Labor studies of persons involved in rioting found the same kind of relationship between rioting and unemployment and employment in low-paying jobs. A survey of 1,000 persons arrested during the April 1968 riots in Washington, D.C., showed that about 11 percent were unemployed.[13] (In contrast, Washington's unemployment rate is less than 3 percent.) Of the persons arrested who were working, 2 of every 3 had semiskilled, unskilled, or service jobs. Average take-home pay was $83 a week. A Department of Labor study of the Detroit riots showed that about 80 percent of the rioters were employed in relatively low-paying occupations.[14]

THE OLDER WORKER

Since the critical employment problems of older workers have been a matter of special concern to the Department of Labor for many years, the Department welcomed the directive, in the Civil Rights Act of 1964, that the Secretary of Labor "make a full and complete study of the factors which might tend to result in discrimination in employment because of age and of the consequences of such discrimination on the economy and individuals affected." This directive resulted in a comprehensive study of older workers' difficulties in the job market. A number of research projects were specifically undertaken or drawn upon for the Secretary's study.[15] Those concerning personnel practices are summarized here, because these practices so often put the older worker at a disadvantage when he is searching for a job.

The most obvious and arbitrary kind of age discrimination occurs when an employer sets specific age limits beyond which he will not consider a worker for a vacant job, regardless of ability. A study of hiring policy in 1964 (made especially for the Secretary's Report) showed very direct correlation between hiring policy and the success of the older worker in the job market. In firms whose hiring policy ruled out age limits, older workers accounted for 13 percent of all new workers, compared with 8.6 percent in the establishments with "no policy" and 6.9 percent in those with upper age limits. However, more than two-fifths of the establishments eliminating age requirements in hiring were government units. In the private sector, almost three-fifths added older workers to their payrolls in below-average proportions, and a few limited all hiring to workers under 45. The effect of anti-age discrimination legislation on hiring practices was also clear. In those States which did not prohibit such action, approximately half of all job openings occurring in the private economy each year were closed to applicants over 55 years of age, and a quarter of them were closed to applicants over 45.[16]

The reasons employers gave for their hiring practices were many and varied. Physical requirements of the job were most frequently cited, followed by policies of promotion from within. Other personnel practices and institutional arrangements were also given as the basis for the age restrictions.

The *physical demands* of some jobs are obviously so unusual that refusal to assign such jobs to older workers represents not only good business sense but common decency. However, a large majority of the age limitations allegedly based on physical considerations had been established without determining their actual relevance to job requirements.

Inadequate educational attainment was found to be an important restriction on the employment of many older workers who were unable to meet specific requirements for certain jobs or to compete with better educated younger workers for other jobs. Older workers, for example, are much less likely than younger ones to have finished high school.

Technological change itself was found to affect the older worker's employability, chiefly because older workers are often in jobs and plants which were established a generation or two ago. Their skills and experience are not always transferable: technology also often changes the location of the jobs.

[13] *Rioters in Washington: A Study of People and Employment*, by Harold C. Strasel and Paul G. Larkin, Software Systems, Inc., under contract with U.S. Department of Labor, Manpower Administration, 1968 (PB 179565; appendixes, BP 179566).

[14] *The Detroit Riot of July 1967—A Psychological, Social and Economic Profile of 500 Arrestees*, by Sheldon J. Lachman and Benjamin D. Singer, Behavior Research Institute, under contract with U.S. Department of Labor, Manpower Administration, 1968 (PB 178035).

[15] *The Older American Worker—Age Discrimination in Employment, A Report of the Secretary of Labor to the Congress Under Section 715 of the Civil Rights Act of 1964* (Washington: U.S. Department of Labor, June 1965).

[16] In 1965, 20 States and Puerto Rico had enacted such laws.

Personnel practices other than hiring standards were also judged to affect the employment of older workers, although they were not developed for this purpose. A policy of *promotion from within* works both to the advantage and the disadvantage of the older worker. For the older worker who has a job, this policy offers protection; for the older worker who is looking for a job, it may preclude success since outside hiring is limited largely to entry jobs. Similarly, *seniority*, which offers great protection to the employed older worker, often prevents the employment of older workers with long industrial experience, but without recall rights in a particular seniority district.

Comparatively few employers mentioned *private pension, health, and insurance plans* as their reason for unwillingness to hire older workers. Nevertheless, employers with pension plans hired fewer workers aged 40 and over than those without pension plans.

The foregoing facts, coupled with other evidence considered in the study, makes it clear that the older worker had many disadvantages relative to workers in the prime age groups. Moreover, it was found, the effects of discrimination on older workers went far beyond the financial consequences attributable to arbitrary refusal to hire—to the deterioration of skill and motivation, to personal frustrations and anxieties, and to forced retirement.

The Secretary's conclusions were that not all age restrictions are arbitrary, and that remedial action must be concentrated on the prohibition of arbitrary practices; that to the extent that obstacles exist to the employment of older workers because of limitations of their abilities, those abilities must be enlarged; that to the extent that matching men and jobs is working to the disadvantage of older workers, the process must be improved; that to the extent that employment security and income maintenance programs have a wholly unintended adverse effect on the position of older unemployed workers, these programs must be adjusted; and that all of these things are possible, given a national will and purpose. Such a will was expressed in the Age Discrimination in Employment Act of 1967, as indicated in the chapter on Meeting Individual Needs.

Evidence of older Negro men's severe employment disadvantages comes from a 5-year study sponsored by the Department of Labor to find out what happens over time to a group of men 45 to 59 years of age.[17] On the basis of their initial survey, the authors reached the overall conclusion that there were differences between the white and the Negro men in nearly all the characteristics examined, and in many cases the differences were substantial. The Negro men were significantly less likely to be well educated, to have had training outside of school, and to be married, but they were much more likely to have dependents other than wives. They were more likely to be completely disabled from working, but no more likely to have a health condition limiting the amount or kind of work they could do. Partially as a result of these differences, Negro men, in the group surveyed, were considerably less likely than whites to be in the most desirable occupations, to be self-employed, to be at the upper wage levels in any occupational category, and to be able to rely on resources other than their own earnings for their livelihoods. Although deeper insights are sure to emerge from the annual resurveys of the same groups of men and from comparative data on other groups of workers, the rich vein of information on Negro-white differentials can be mined to improve programs to meet the most intransigent employment problems of older men.

Another study which has broad implications for older workers who may face early or forced retirement or need to find new employment in midlife was an examination of the experience of retired military personnel in their search for civilian jobs.[18] These officers and enlisted men, who retired during 1960–64, were well educated (more than half were high school graduates) and had acquired valuable skills over approximately 20 years' service.

Like other workers in similar situations, nearly all of them wanted a job—partly for financial reasons, but even more for social-psychological reasons. Most of them said they would move to find a job, but many preferred to settle near a military facility. They preferred full-time jobs in the same or a related occupation, preferably in a large organization.

Most of the men found jobs readily, but their education counted more than skills they had acquired in the service. Even among men with spe-

[17] For a full description of this study, see the section on Joblessness, Underemployment, and Low Earnings in this chapter.

[18] *The Employment of Retired Military Personnel*, by Laure M. Sharp and Albert D. Biderman, the Bureau of Social Science Research, Inc., under contract with U.S. Department of Labor, Manpower Administration, 1966 (AD 646463).

cial skills that were in short supply, less than half moved into directly comparable jobs. Half of those who found jobs felt that their age had been a handicap, and one-fifth had difficulty because of company hiring practices. About two-fifths of the jobholders felt they needed more formal training. Thus, even for this group of exceptionally well qualified older men, educational deficiencies, attitudes toward relocation, and personnel practices represented major obstacles.

Another explanation for the men's difficulties is that, having been in the service for at least 20 years, they knew little about jobseeking methods or the kinds of civilian jobs that might be available. This finding led the Department of Defense and the Employment Service to launch a program to provide prospective retirees with information on employment opportunities; counseling; and, when they seek it, placement assistance. Since this program was begun in June 1964, about 150,000 officers and enlisted men have attended special preretirement orientation sessions at military bases around the country.

WOMEN WORKERS

Realization that women have not had equal employment opportunities has been both the result and the cause of a considerable amount of research in the last few years. The President's Commission on the Status of Women, appointed by President Kennedy in 1961, reported in 1963 [19] that women are denied equal employment in many situations simply because they are women; that when they do find jobs, most of those jobs are in the low-paying categories; and that they often are paid less than men for identical work.

A number of studies have underlined the fact that, in jobs with the same titles, women's average earnings are less than those of men. A 1965 study of collective bargaining agreements on file with the Department of Labor found separate job classifications for men and women, as well as separate wage structures; differences in starting pay; and different hourly rates for men and women having identical or nearly identical job titles.[20] Corroborating these findings, a wage study conducted for New York City in April 1967 showed that in 10 out of 14 office and clerical occupations for which information by sex was available, men received higher wages for the same work.[21] A Report of the Task Force on Labor Standards of the Citizens' Advisory Council on the Status of Women revealed that evasive practices had been used by some employers in wage and job classifications in order to perpetuate wage differentials based on sex, "such as adding a heavy lifting requirement to jobs held by men to justify wage differentials." [22]

The substantial body of statistics which describes the employment position of women workers has been analyzed and summarized in succinct and graphic form in a recent publication.[23] This report highlights women's inferior status in both income and occupations. For example, among persons who worked full time throughout 1965, 29 percent of the women but only 11 percent of the men had incomes of less than $3,000 a year, while less than 2 percent of the women, but 17 percent of the men, earned at least $10,000. Although their employment in professional and technical occupations more than doubled between 1940 and 1966, women's share of these jobs fell from 45 to 37 percent of the total. At the same time, their portion of low-paying service worker jobs outside the home rose from 40 to 55 percent.

A report released by the Equal Employment Opportunity Commission in October 1967 substantiates these findings.[24] The Commission found that in nine Standard Metropolitan Statistical Areas women made up from one-fourth to one-third of the total work force, and from one-third to one-half of the total white-collar work force, yet they held only a small percentage of higher echelon managerial or professional jobs.

Recent research has also exploded some of the myths concerning women's reasons for working and their attachment to the labor force, which have been offered as "explanations" of women's inferior job status. Contrary to popular belief, most women

[19] *American Women* (Washington: President's Commission on the Status of Women, 1963).

[20] *Minimum Wage and Maximum Hours Standards Under the Fair Labor Standards Act, Report Submitted to the Congress in Accordance with the Requirements of Section 4(d) of the FLSA* (Washington: U.S. Department of Labor, Wage and Hour and Public Contracts Divisions, January 1966).

[21] "Employment Opportunities for Minorities in New York City: An Introduction" (Washington: Equal Employment Opportunity Commission, 1968), mimeographed, p. 8.

[22] *Report of the Task Force on Labor Standards* (Washington: Citizens' Advisory Council on the Status of Women, 1968), p. 28.

[23] *Underutilization of Women Workers* (Washington: U.S. Department of Labor, Wage and Labor Standards Administration, Women's Bureau, August 1967) and *Income in 1965 of Families and Persons in the United States* (Washington: U.S. Bureau of the Census, 1967), Current Population Reports, Series P–60, No. 51, p. 41.

[24] *New York Times*, October 22, 1967.

work because they or their families need the money they earn. Of all the women who worked during 1966, about 2 out of 5 were either single, widowed, divorced, or separated.[25] Nor is work a passing fancy, although the length of a woman's working life varies, of course, with marital status and number of children. Even at age 35, the married woman who has borne her last child and is in the labor force can expect to work another 24 years on the average.[26] Widespread distribution of the report on a conference sponsored by the Department of Labor in 1966 has helped bring such findings to the attention of educators and employers.[27]

FUTURE RESEARCH NEEDS

Mandatory annual reports to the Equal Employment Opportunity Commission by employers and unions will provide much of the raw material for assessing progress to equalize employment opportunities for minority groups and women. These reports call for data on the distribution of men and women employees among major occupational groups for Negroes, Orientals, American Indians, Spanish-surnamed Americans, and Anglos. Since the data are tabulated by industry group for both the country as a whole and major metropolitan areas and regions, they provide a gold mine of information for analytical purposes. However, they would be more useful if they included more detailed occupational data. For example, detailed information on the occupational distribution of men and women workers in manufacturing establishments would be valuable in guiding research on the reasons for the concentration of women in the lower paying, less skilled categories. Such information would also be invaluable in the further diagnosis of discrimination against minority groups, who tend to be concentrated in the lower status jobs of any given occupational group.

More intensive study of the status of minority group employment in different job markets will also be needed. For this purpose, the Department of Labor is currently sponsoring a major study of changing Negro employment patterns in 13 Southern States, by industry and locality, to provide a basis for programs to improve Negro economic opportunities. In addition, research should examine minority employment in the more rapidly expanding occupations—in white-collar jobs in general, and health, education, and social service jobs and scientific and technical occupations in particular. Attention should be given to the use of career ladders and special training programs for nonprofessionals in social service activities to avoid built-in discrimination.

There is a great need for research to provide guidelines to management on the development of institutional processes, such as valid entrance requirements and seniority and other promotion processes, that insure mobility to higher paying jobs.

Research into discrimination in employment should distinguish among the different forms of discrimination: those which hamper entry into highly skilled occupations; those which hinder promotion from lower level jobs to middle occupational levels; and those which keep some persons from becoming more than marginal workers. Since the manifestations of such discrimination differ for women and for members of minority groups, both should be covered. It might, for example, be fruitful to explore the way in which vocational education for Negro and white girls and boys is related to their later work experience.

More studies are needed on the relation of discrimination to the mobility of minorities into the middle class, particularly on the relative importance of such factors as capital accumulation and mutual support in the form of contracts, referrals, and information in obtaining entry into professional, administrative, and management jobs. In this connection, research is needed on Negro entrepreneurs.

A deeper analysis is needed of the employment problems unique to Mexican Americans, Puerto Ricans, and American Indians. Cultural differences appear to play a primary role in discrimination against these groups.

High priority should be accorded to research relevant to enforcement of the Age Discrimination in Employment Act of 1967. Information is needed, for example, on the prevalence and operation of compulsory retirement programs and on

[25] *Why Women Work* (Washington: U.S. Department of Labor, Wage and Labor Standards Administration, Women's Bureau, May 1968).

[26] *Work Life Expectancy and Training Needs of Women* (Washington: U.S. Department of Labor, Manpower Administration, May 1967), Manpower Report No. 12.

[27] *Exploding the Myths—A Report of a Conference on Expanding Opportunities for Career Women, Held at the University of California Extension, Los Angeles, California, December 3, 1966* (Washington: U.S. Department of Labor, Wage and Labor Standards Administration, Women's Bureau, 1967).

the way in which other pension provisions and seniority practices actually affect the employment of older workers in both union and nonunion situations.

At the same time, studies should be made of the possibilities of alleviating older workers' employment problems through retraining and job redesign. There is enough evidence that older persons' learning abilities differ sufficiently from those of younger people to warrant exploration of training methods especially adapted to older workers. And so little is known about job redesign specifically for older workers with declining capacities that its apparent potential cannot yet be explored.

Support should be continued for the work of the National Council on Aging, through the National Institute of Industrial Gerontology, for the U.S. Employment Service in coordinating research on older workers among State Employment Services. This institute will arrange for research into all aspects of the selection, training, and employment of older workers.

EXPERIMENTAL AND DEMONSTRATION PROGRAM

When the new training program for unemployed and underemployed workers was launched in mid-1962 under the Manpower Development and Training Act, it quickly entered problem areas that were relatively uncharted. Difficulties were encountered early in establishing contact with many of the unemployed known to be most in need of help in qualifying for jobs. And when these workers were reached, they were often unprepared or unwilling to take advantage of the kinds of training and placement opportunities offered by the MDTA projects. Social, motivational, educational, and other deficiencies stood in the way. This was the group, unexpectedly large, of "hard cases" we have come to call disadvantaged.

It was also apparent that the Federal-State Employment Service system and the educational system—the two institutions on which MDTA operations depended primarily—needed to connect with and be supported by the personnel and resources of many other organizations, public and private, including especially the whole employer community. The MDTA program might hope to be a resource, a tool, and, in the larger sense, a catalyst of manpower policy and action. But clearly it could not alone provide all services necessary to help disadvantaged workers qualify for, find, and keep jobs.

What was needed to help point the way to greater effectiveness was a series of active, flexible probings to explore the new techniques and structures which might better meet the act's objectives. Such new developmental efforts, outside the mainstream of program activity, were undertaken through "special projects," which soon became the experimental and demonstration (E&D) program. This program has sought, in specially designed projects, to determine whether and by what means effective employment preparation services can be provided to the special group which the regular program had particular difficulty in aiding—most notably ghetto youth, the illiterate, and minority groups suffering chronic unemployment.

Evolution of the E&D Program

The initial E&D program, one of the first major innovative steps under the MDTA, was not explicitly provided for by the act, but rather had its roots in the act's statement of purpose and several provisions which authorized efforts outside the basic operating structure. In reporting to the Congress on the first 6 months under the act, the Secretary of Labor expressly noted the development of special projects to test new techniques and procedures, and reported that their findings would be assessed to determine their general applicability.[1]

[1] *Report of the Secretary of Labor on Research and Training Activities Under the Manpower Development and Training Act* (Washington: U.S. Department of Labor, 1963), p. 48.

When Congress developed the first amendments to the act in 1963, the House Committee on Education and Labor pointed to the "unique and critically important contributions being made to the (Manpower Development and Training Act) program by these (special or demonstration) projects." The Committee found that evidence from these projects provided the most convincing proof of the need for and the feasibility of making the changes provided for by the amendments. It also urged that "the present role assigned to these projects be continued, and if possible, expanded." [2]

Two years later, the E&D program was given a specific legislative base: the 1965 amendments to the MDTA added a broad experimental and demonstration authority in title I. In recommending this amendment, the House Committee on Education and Labor said again that it had found such projects to be "fully warranted by the results" and expressed the desire "to move aggressively and imaginatively" with a wide variety of such efforts to improve techniques and demonstrate the effectiveness of special methods in meeting the manpower, employment, and training problems of worker groups.[3]

Even before this congressional instruction, a basic shift in E&D orientation was underway—from the primary emphasis of the first projects on special service to disadvantaged individuals toward a more structured development and testing of varied innovations which could be adopted to improve overall manpower programs.

There were 58 special projects prior to fiscal 1965. They sought to serve disadvantaged groups, mostly youth, not being reached or aided effectively by established manpower agencies. Emphasis was put on the development and use of private and community organization talents, and even on creating new organizations, on the assumption that who conducts the program is often as crucial as its content. These projects, while not always successful, did demonstrate repeatedly, and often dramatically, that it was feasible to reach many groups formerly considered as untrainable and unemployable. These projects also served to persuade such groups to enter, stay in, and benefit from an appropriately devised education and training program and to place them in jobs they wanted and could perform and hold steadily. The projects pointed to the potential of new or little-used techniques for doing this. And they helped to attract and develop institutions with interest and ability in the task. In these ways they stimulated broad recognition of the potential of imaginative, resourceful efforts at manpower development and helped to create a positive atmosphere for new directions in manpower programing.

This initial experience, plus the emergence of new programs and resources under the Economic Opportunity Act of 1964, generated pressure and opportunity for shifts in emphasis and greater selectivity among possible types of projects. As successful E&D projects sought re-funding, a choice was forced between continuing services of proven value or starting new efforts. Wherever possible, the choice was made to move established projects into regular program funding.

Growing interest and attention increased requests for E&D projects aimed at an enlarging variety of special groups: Alienated youth of different ages in different settings, older workers, the mentally retarded, the mentally ill, the physically handicapped, various racial and ethnic minorities, migrants, prisoners, isolated rural people, those with language difficulties, and others. Project proposals of this kind were guided increasingly into the antipoverty and regular MDTA activities. Since E&D funds were limited, it was necessary for the E&D program to avoid a scattering of effort and preoccupation with short-term impact alone. It was also desirable to direct its funds to activities more specifically designed to yield definitive findings as to the techniques and structures which do and do not succeed with particular groups and the reasons for their effectiveness or ineffectiveness.

Thus, the emphases of the E&D program have changed gradually. As the techniques and activities developed by the early projects have been adopted widely in the regular manpower programs, and as these programs have developed increasing capability, flexibility, and focus on the disadvantaged, the E&D emphasis has shifted from special-group service to the task of developing knowledge in order to influence the direction of future programs. Focus on the "hard cases" remains a

[2] *Report to Accompany H.R. 8720* (Washington: 88th Cong., 1st sess., U.S. House of Representatives, Committee on Education and Labor, October 18, 1963), Report No. 861, p. 20.

[3] *Report to Accompany H.R. 4257* (Washington: 89th Cong., 1st sess., U.S. House of Representatives, Committee on Education and Labor, March 15, 1965), Report No. 170, pp. 3–4.

necessary, though no longer sufficient, condition for E&D attention. The prime objective increasingly has been to identify and develop, and to test in operation, innovations that promise to provide practical guides on how manpower programs might serve their purposes more effectively.

E&D Emphases and Accomplishments

The experimental and demonstration program had undertaken more than 350 projects by late 1968 (including the 58 of the first 2 fiscal years). Approximately four-fifths have been operational activities; the others have been developmental efforts undertaken to plan and initiate projects or analytical assessments of project operations.

These projects are not easily categorized. They have focused on widely different groups and problems, have tried varied techniques and combinations of techniques, and, of great importance, have enlisted different types and different combinations of institutions in their operation.

It is beyond the scope of this report to describe or even to enumerate briefly all the projects, and any selection risks distortion of the overall picture of the E&D activity. But a brief review of some significant project areas should make the E&D purposes more explicit and will illustrate the role and contribution of this tool in innovation and program improvement.

THE CHICAGO YOUTH PROJECTS

One of the early special youth projects, initiated in 1963, was sponsored jointly by several community social welfare agencies—the YMCA of Chicago, the Chicago Boys Clubs, and the Chicago Youth Center—under the title JOBS—"Job Opportunities Through Better Skills." This project enrolled approximately 1,000 youths from ghetto areas who had marked disadvantages in education, motivation, and social development.

The cooperating organizations subsequently continued and expanded their cosponsorship. Currently more than 35 public and private agencies in Chicago, including some neighborhood organizations, are working together on various manpower efforts and are conducting another major E&D project, JOBS NOW (discussed later), which is testing a series of findings emerging from the earlier work.[4]

The methods developed to serve disadvantaged youth in the original JOBS project departed significantly from those of the regular MDTA program at that time. For example, emphasis was put on outreach. Special personnel were hired and trained, particularly from "street-worker" agencies concentrating on juvenile delinquency and gang problems and from the ranks of the trainees themselves. These people were sent to identify, recruit, and retain the youth who needed the job preparation service but would not come forward of their own volition. As another example, provision was made for basic education and prevocational training, rather than just skill training; this has since become a basic ingredient of many MDTA programs.

The enlistment of different community agencies in cosponsorship and participation brought to bear additional resources in supportive services and personnel—showing how manpower funds could be linked to other available resources in order to provide a more comprehensive program.

While the project's methods proved to be of value in meeting the employment problems of some ghetto youth, other youth did not benefit materially. An assessment of the problems which caused them to drop out of training or subsequent employment led to development of the next stage of demonstration activity by the Chicago YMCA and its partner agencies: A JOBS NOW project was initiated in 1966 which departed sharply from the earlier emphasis on comprehensive preparation before placement.

[4] E&D projects are ordinarily financed for 1 year to 18 months; projects with solid promise of needed new findings are re-funded as "new projects"; only occasionally have individual projects been re-funded for more than 3 years. Usually an E&D project ends when: (a) It has made its demonstration; (b) its findings indicate that further activity would have limited new knowledge-development value or should be tried in a different setting or with different administration; or, (c) other funding sources have been developed to carry it forward as a continuing service rather than as an analytical-operational effort.

This project, concentrating on young adults (primarily Negro youth and Chicago gang members) who were screened out of employment by customary hiring standards, undertook to test a "hire first, train later" approach. A key element in this approach was employer involvement—the willingness of major employers to waive high school diploma requirements, accept youth with arrest records, provide special after-hiring supportive services, and provide special training for management and supervisory personnel in working with the culturally different.

Before placement, the project provided the youth with only a brief orientation period—generally 2 weeks—during which each youth was assessed to determine which of the alternative job opportunities available might be best for him. A coach, generally someone from the same background, was assigned to work personally with each youth after placement and with the foreman to iron out problems which might jeopardize work performance and job retention. The project encountered many difficulties and did not succeed with all individuals. Nevertheless, it stimulated wide employer attention and demonstrated the usefulness of several concepts which have been incorporated increasingly in subsequent manpower program planning for disadvantaged adults as well as youth: (1) A significant proportion of severely disadvantaged, supposedly unemployable, persons can be employed effectively after only a short orientation or job preparation period; (2) a job itself is the most effective way of improving the motivation and skills of many who have severe employment problems or will not stick with a long-term prejob training program; (3) many employers can and will develop the kinds of attitudes and increased support needed to provide a work environment in which such new workers can learn to meet usual work standards; and (4) an outside coach can often help the employer and newly hired workers overcome work behavior and off-the-job problems which threaten continuation in employment.

These findings of the JOBS NOW project became guides in developing the orientation and coaching services which are basic elements of the Concentrated Employment Program, and also in planning the major JOBS Program (Job Opportunities in the Business Sector, coincidentally the same acronym as that of the E&D project that helped start the line of development) launched in early 1968 to enlist private industry's cooperation in hiring the disadvantaged.[5]

Other E&D projects also helped to shape the policy judgment that expanding employer involvement should be emphasized. Some illustrations follow:

1. An E&D supported program in Newark, N.J., conducted through the Business and Industrial Coordinating Council, composed of industry, union, and minority group leaders, showed the potential of a joint effort in which employers undertook to train minority workers often regarded as unemployable.

2. A "training and technology" project, which the Atomic Energy Commission and Union Carbide Corporation conducted in Oak Ridge, Tenn., demonstrated that plant facilities and employer staff could be used effectively to train and place in high-skill industrial jobs persons with more limited background than those customarily selected for such employment.

3. An "instant hiring" demonstration effort by the Whittaker Corporation in Los Angeles helped establish guides for Federal support for a comprehensive literacy, skill-training, and supportive service program conducted wholly by an employer.

In a related effort, and looking toward the broader need for helping workers to progress upward from entry-level jobs, a series of E&D projects has been breaking new ground for employer efforts to tap the undeveloped capabilities of workers with limited backgrounds. These projects, particularly the Skill Advancement, Inc., efforts, pioneered in New York and now being developed and tested further in Baltimore, Cleveland, and Newark, are showing that brief but intensive in-plant training and upgrading systems can enable promotion of unskilled workers, customarily passed over, to middle-skill jobs.

MINORITY GROUP SELF-HELP

A major objective of E&D activity has been to determine the potentialities of direct involvement of minority groups in organizing and directing manpower development programs, and the possibility of channeling protest-group interests and abilities into constructive program activity.

[5] For a discussion of the JOBS Program, see the chapter on Enlisting Private Industry Cooperation.

A significant example is the Opportunities Industrialization Center (OIC), initiated in Philadelphia by the Reverend Leon Sullivan with support from the E&D program. This was subsequently extended to more than 60 cities—in two dozen of them on a sizable scale with Government support under the MDTA and the Economic Opportunity Act, and in the others on a smaller scale with local community resources and industry aid. This program emphasizes minority group leadership (primarily Negro, often clergymen), extensive use of volunteers, and assistance from private industry. It aims to recruit unemployed workers who ordinarily do not participate in public agency programs. It stresses motivational and basic work preparation in a "feeder" center to improve enrollees' morale and pride, occupational training in skill development facilities with the aid of local business, and job placement with cooperating employers.

Another distinctive approach to minority group self-help has been Project SER (the Spanish verb "to be" and an acronym for Service, Employment, Redevelopment), conducted by major Mexican American organizations, most notably the League of United Latin American Citizens and the American GI Forum. This project is supported jointly by the E&D program and the Office of Economic Opportunity. Its staff has worked with State and local public agencies to initiate local projects in major Southwestern cities, focusing on the employment difficulties of people from Spanish-speaking backgrounds. The SER projects in different cities have bilingual staff who assume operational responsibility for key elements in the project, particularly English instruction, coaching support on special problems, and work with employers on hiring these minority workers.

Still another kind of self-help program has been directed to alienated youth, seeking to engage them in organization and direction of youth work-preparation programs and in organized community and human service activities. Project PRIDE in Washington, D.C., is a major example. It was directed to youth so antagonistic to established community institutions that they were unwilling to participate in existing manpower programs. They could be reached, if at all, only through their own street leadership and would work only at their leaders' directions.

Project PRIDE tapped that leadership structure, largely local gang youth, in a patently high-risk but potentially high-payoff experiment. On a week's notice, these youth leaders recruited and organized 1,000 unemployed youth in a summer program of neighborhood cleanup and rat extermination. Many ghetto youth who had previously been unreachable became involved, and they performed well, gaining and displaying the pride that their project title expressed.

But success led to the next problem stage—guiding the project into some permanence beyond its initial summer mission. The PRIDE leaders have embarked on development of enterprises which could both provide training in different skills and absorb those trained as employees. The first such project was a professional landscaping and gardening service, aided by a Small Business Administration loan and now operating effectively throughout the Washington metropolitan area. The project, which has now moved beyond E&D auspices, is receiving support from regular program funds and is slowly broadening the range of its entrepreneurial ventures, though still very much "learning as it goes."

In the Watts area of Los Angeles, another self-led program initiated with E&D support has developed a significant example of the practical potential of a large-scale community work program, particularly for youth, under neighborhood leadership. Run by the Watts Labor Community Action Committee, with support from unions in the area, this program focused initially on work training for youth in converting vacant areas into usable recreation centers, cleaning and improving littered areas, and supervising several thousand 7- to 13-year-old youngsters in group recreation, education, and community activities. The enthusiasm and constructive impact generated in the community has led to a major broadening of the program into skill training, more sophisticated work-experience projects in community improvement, and establishment of a large camp outside the city, to provide guided away-from-home development for ghetto youth during the summer and skill training for out-of-school youth in other seasons.

TRAINING OF PRISON INMATES

The training of prison inmates in preparation for their release is another manpower area of great social challenge in which research and E&D proj-

ects have shaped new programs. The original provisions of the Manpower Development and Training Act excluded from training persons not in the labor force; therefore, those in prison were ineligible for MDTA projects.

Some 100,000 men and women are released annually from Federal and State correctional institutions. Most of them had low levels of education and little job skill or employment experience before their imprisonment, and they generally leave prison in the same condition, all too often to commit new crimes and be returned to prison.

Special attention to this problem group began in 1963, with a combined research and training pilot project at Riker's Island jail, in cooperation with the New York City Department of Corrections and the City College of New York. This was followed by a series of E&D projects at other correctional institutions.

The E&D projects—begun in 1964 at the District of Columbia Department of Corrections Youth Center at Lorton, Va.—uncovered many administrative problems in prerelease training. Difficulties were inevitable in learning how to meet both the security requirements of a correctional institution and the requirements of a good training program, and in timing training projects so that prisoners would complete training close to their release dates. Guided by the experience gained through the initial developmental project, a subsequent one conducted at Lorton with the aid of the National Committee on Children and Youth became a widely observed model.

An E&D project has been conducted also at the Draper Correctional Institution in Elmore, Ala. by the Rehabilitation Research Foundation. This project provided both training in a variety of skills, with each individual given free choice among the available training fields, and systematic placement and followup services for the trainees after their release. On the basis of these and several other projects demonstrating the feasibility and merit of such efforts and their potential for reducing return to crime and repeated imprisonment, the Congress amended the MDTA in 1966 to authorize such training on a wider basis. (However, accompanying limits on appropriations have restricted the pace at which this authority can be applied.)

A new series of E&D projects related to problems of crime is exploring possible methods of developing training and employment opportunities for arrested persons, for whom the courts are willing to consider an alternative to criminal prosecution and imprisonment, as well as the values of such opportunities. Projects undertaken in New York (by the Vera Institute of Justice) and Washington (by the National Committee on Children and Youth), in cooperation with the courts and police authorities, are developing criteria for selecting individuals from among those arrested whom it may be possible to help. These projects are also experimenting with techniques aimed at "early diversion" of such individuals to a future with a job rather than in a future in crime.

MOBILITY AND BONDING ASSISTANCE

Two special E&D programs have been set up by direction of the Congress in the 1965 MDTA amendments. One is concerned with the workability and value of financial and other assistance in helping unemployed workers with little prospect of steady employment in their home communities to move to unfilled jobs in labor-shortage areas. The second is a bonding assistance program, to determine whether the availability of special bonds might overcome barriers to employment faced by workers with arrest records.

Mobility Assistance for the Unemployed

The mobility assistance demonstration program is addressed to two basic questions: Can unemployed workers immobilized in high-unemployment areas be helped, if they wish, to move to jobs in areas that need additional workers? And can workers migrating out of areas of limited opportunity be guided and assisted so that moving is to their economic benefit and useful to their new communities, rather than merely intensifying problems of unemployment, poverty, and overcrowding in major city slums?

Many unemployed and underemployed persons, especially from rural areas, have made decisions to move, out of either desperation or hope, and have succeeded in doing so. But without guidance as to where they would be welcome and have good job opportunities, many have gone to major urban centers with no job prospects and little knowledge of how to find employment or cope with a host of other problems, including housing. As a result,

they have swelled the numbers submerged in decaying city slums, or given up and returned to their familiar though impoverished rural setting.

The mobility demonstration program has conducted some three dozen mobility assistance projects in 29 States, helping over 13,000 workers and their families to relocate to jobs. Of greater importance, it has developed knowledge and experience for State Employment Service agencies, and other groups concerned with manpower problems, on how to aid the rural unemployed who want to move, how to link growth areas (especially medium-size towns) with the nearest high-unemployment areas, how to distinguish the kinds and amount of assistance needed by different groups for a successful job relocation, and how to relate training and placement services to mobility assistance efforts.

The demonstration projects primarily have helped to move workers within their own State or to neighboring States with job openings, but they have occasionally moved skilled workers greater distances. The types of moving assistance have been varied, according to estimates (and later, experience) of the particular needs of the groups involved. For example, some Employment Service projects that have focused on the Appalachian rural poor have drawn on the Traveller's Aid Society for help in finding needed housing for the workers and families relocated and in accustoming them to their new community. A project that helped unemployed workers from the Rio Grande Valley in Texas to relocate to jobs in an aerospace plant in Dallas concentrated on workers who were given English literacy training in a migrant adult education class and provided bilingual counseling on adjustment problems involved in their relocation. Another project, which focused on skilled workers affected by a mass layoff, found that counseling assistance was little needed, but that a job well suited to the qualifications of the individual and funds for moving furniture and family were important.

The costs of relocation assistance in fiscal 1967 and 1968 averaged about $750 per move. This figure included all project operating costs (including preparation for, and adjustment aid after, the moves), financial assistance to pay for transportation of the family and its furniture, and a lump-sum allowance to meet settling-in expenses in the new home area. The cost figure also includes some efforts to find local placement opportunities, since the projects attempt to place persons in their home communities before relocation is considered.

The benefits of the program that can be measured derive mainly from the reduction in unemployment for the workers moved, as compared to those who remain in the home area. A recent benefit-cost study of a North Carolina project found that in the year after relocation, the workers relocated earned over 80 percent more, on the average, than comparable workers who did not move. The workers who moved had an average of 2½ weeks of unemployment in the year following the move, while the nonmovers averaged 19 weeks of unemployment.

Rates of return to the workers' original community have been below 20 percent in the first months after relocation. While some of those who return find work, most of those going back to the areas of limited employment opportunity which they left become dependent once more upon unemployment benefits or public welfare. The projects have developed systems of supportive service to help movers settle into their new community. Housing, medical, school, and even shopping advice is made available, as needed, by rural movers for several months after the move. It has been found that, after 3 months on the new job, few workers return home, and family adjustment is completed in the first half year. For workers who have lived in urban areas before, the adjustment period is very brief and little or no help is needed in the process.

The pilot mobility assistance program is authorized through mid-1970, by which time legislation for adoption of a full-scale program may be considered. Meanwhile, the demonstration efforts are devoting more attention to such questions as how to combine training programs with mobility aid, how to utilize mobility assistance as an element of Concentrated Employment Programs initiated in rural areas, and how to link specific high-unemployment areas with labor-shortage areas through interstate and interregional mobility.

Bonding Demonstration Program

This demonstration effort is in its third year (with authority to carry forward to 1970). It has explored the question of whether workers with a police or other record, refused employment be-

cause they cannot obtain a bond, can be placed in jobs if a special bond is made available.

Under this program, special bonding coverage has been purchased from a commercial firm and utilized in selected cities for persons unable to obtain the customary commerical bond. The program is administered essentially through designated Employment Service "sponsors" in the pilot areas.

Through 1968, the program had covered 29 cities and also 5 States on a statewide basis. More than 1,000 persons with a police or prison record were bonded and placed in jobs they otherwise could not obtain, with barely a dozen defaults.

The impact of the pilot program has been more significant than this figure suggests, however. Experience in the pilot cities indicates that the mere availability of this Federal bonding assistance encourages and makes possible a more effective approach to employers on behalf of many workers with police records. Employment Service personnel are placing such workers with employers they formerly would not contact. Furthermore, employers have often been led to reexamine their customary hiring and bonding standards. As a result employers have liberalized these standards and are hiring many persons with a police record—without drawing on the available bonding assistance.

It must be recognized, however, that even where bonding aid is provided, workers with a police record may still have severe job-finding difficulties, both because of lack of skills and employer reluctance to hire them for reasons other than lack of bonding.

OPERATIONAL INSIGHTS FROM E&D PROJECTS

To catalogue all of the kinds of experimentation attempted in the E&D program, and the new knowledge, insights, and techniques to which these experiments have led, would be a vast undertaking. New approaches have been tried in every component of manpower development, from outreach through counseling, education, and training to job development, placement, and followup. New ways to link these components have also been tried.

The concern of this section is both broader and more limited than to make a detailed list of all of the kinds of knowledge and insights gained. It is rather to suggest some of the broad operating principles which, though not attributable to E&D efforts alone, have gained wide acceptance partly because of experience under the E&D program:

—*Nearly all persons are trainable.* People should be screened in, not out, of manpower programs unless severely crippled, mentally or physically. Different methods must be tailored to different conditions and individuals, but no large groups or classes of people need be neglected.

—*The motivational barrier can be cracked.* While this presents unique problems with each individual, E&D analyses suggest that the basic values which are a key to motivation are much the same in disadvantaged individuals as in the rest of the population. Most of the disadvantaged are not so much alienated as frustrated. When the relevance of training to getting good employment is demonstrated, the ambition to perform is aroused.

—*Rapid literacy training is possible.* On the average, capability in reading, word mastery, and arithmetic can be raised 2 grade-level years through several hundred hours of instruction. An individual with an eighth-grade capability can be trained to pass a GED (high school equivalency) test in less than a year, even when such literacy training is combined with occupational training. Armed with newer technologies and insights into methods for teaching disadvantaged adults, further improvements in performance are attainable. And there is growing recognition that concentration on "job language" training can quickly develop literacy gains necessary for employment, even when overall literacy levels are not raised markedly.

—*Timing and length of training must be varied with individual needs.* Beyond the matching of an individual's aptitudes with the skill to be trained for, it is necessary to gage when and for how long he will be receptive to training. Many individuals will drop out of extended prejob training, and others will too easily become dependent on the supportive environment of a program. For still others a job is an immediate economic and psychological necessity, and training must be developed

on the job or after hours. These differing individual needs must be distinguished in determining the types of program arrangements needed by different groups.

—*An experience of success must be developed.* A pattern of repeated failure and frustration is broken most easily when a program is designed to provide the experience of success. Specific tasks or standards should be established so that participants can see their own positive accomplishment. This must not be counterfeit, and should preferably be related to the achievement of measurable skill progress or creditable task performance. Though the forward steps may be small, a program designed to make them continual will have a cumulative effect in developing the necessary confidence.

—*There must be a systematic linking of services.* Counseling, basic education, work experience, skill training, job development, placement, followup, and other services should be linked as a "system," rather than permitted to function as separate or compartmentalized activities. Each program staff member should be familiarized with the functions of others as part of a continuing effort to assure sound sequence, timing, and combinations of services, according to a considered judgment as to each enrollee's needs.

—*Repeated placements are often necessary.* Some disadvantaged individuals can and will develop steady work habits and persistence on the job after repeated failure in earlier job placements.

—*Postplacement support is often crucial.* Job placement for the disadvantaged is a step within, rather than the end of, manpower program assistance. Followup counseling or coaching on the job and, often, adjustments in the working environment are essential to help many individuals become stabilized as workers. While much must still be learned on the techniques for doing this effectively, this need is now recognized generally.

Beyond these types of basic operational knowledge, the E&D program has looked to the development of knowledge of human behavior relevant to manpower development. Members of behavioral science disciplines have been enlisted as project directors, staff members, and consultants. Few had focused on manpower problems before this decade. Their present work is yielding findings that, while requiring further exploration and testing, open new perspectives in social and psychological research. Some of these challenge previously held theories.

One new development that has surfaced in many manpower programs, and is receiving special attention in the E&D program, is called variously "reality therapy," "crisis counseling," or "behavioral counseling." Intensive, indepth, primarily therapeutic counseling has been found, in many cases, to be resented deeply and to be counterproductive. The newer methodology, still developing, has shifted from extended depth therapy to short-term, directive emphasis on specific problems requiring immediate decision by the client. This approach has been arrived at independently in varied E&D projects (and in social work and rehabilitation programs) dealing with different kinds of people. While only one of various new professional developments, it is of special interest because of the extensive use of counseling in the manpower development process.

"Behavioral counseling" is an application of principles embodied in the theory of "operant conditioning" and "contingency management." Several E&D projects are also experimenting with these theories.

Instead of trying to change behavior by making changes in personality, operant conditioning assumes that personality is defined by behavior and that one should seek behavioral change directly. The theory is that control of rewards that follow a particular kind of behavior can induce the behavior being sought. Thus, an individual can be motivated to a positive rather than an antisocial response by a system of rewards.

If the theory is simple, the practice is complex. It requires, among other things, measurement of the responses that the project is designed to alter, precise and correct timing of rewards, and frequent testing. Some striking performance changes and accelerated learning have been achieved. But additional experimentation is needed to refine the techniques, to establish limits of feasibility and effectiveness, and particularly to test the degree to which new achievements are truly internalized and maintained. Behavioral science theory is itself being developed, even as it is being applied to manpower problems.

Knowledge gained from experience in regular operations under the Manpower Development and Training and Economic Opportunity Acts, and from research, has of course contributed heavily to manpower program evolution and to the successive legislative actions. E&D experience has supplemented, extended, and corroborated insights from these and other sources to contribute to such legislative changes as these:

—*Supportive services for youth training.* The early "special projects" showed forcefully that basic education, intensive counseling, and other supportive services were necessary before many disadvantaged youth could be served adequately. The provision for basic education in the 1963 amendments to the MDTA recognized this experience.

—*Correction of medical deficiencies.* The fact that health defects can seriously limit training was documented by early E&D projects. Some projects found that up to 85 percent of the trainees needed medical treatment, and that up to 20 percent of those who dropped out before completing their training did so because of health difficulties. A 1966 amendment to the MDTA made provision for medical examination and treatment of trainees needing this help, although funds have never been adequate to implement the provision fully.

—*Prevocational training without skill training.* E&D experience indicated that "prevocational" orientation—preparation for a variety of job demands—could, even without occupational skill training, help many individuals qualify for employment. This arrangement was authorized by the MDTA amendments of 1966.

—*Training for prison inmates.* This is one of the areas where E&D projects have had the most direct influence on a legislative addition to the MDTA (as described in a preceding section).

—*Use of community organizations, employment of staff members from slum neighborhoods, and usefulness of work-experience activities.* E&D projects provided successful pioneering experience in all of these areas. Observation of the results led to some of the capabilities built into the Community Action Program and the Neighborhood Youth Corps by the Economic Opportunity Act.

—*New Careers training.* The earliest E&D projects established quickly that disadvantaged persons coming from the same culture as the group to be served could help considerably to bridge the social and cultural distance between trainees and professional staff. They were employed extensively as nonprofessional staff, with considerable success, to meet needs which professionals could not handle fully. This experience helped shape the New Careers training program established in 1966 by an amendment to the Economic Opportunity Act. In significant part, that amendment was modeled after an E&D project at Howard University (funded jointly with the Department of Health, Education, and Welfare's Office of Juvenile Delinquency and Youth Development), which trained disadvantaged youth successfully for entry-level nonprofessional "aide" jobs in human services such as teaching, counseling, and community mental health activities.

In policy areas, some emphases which E&D efforts have helped influence include the following:

—*Emphasis on the disadvantaged.* E&D projects were the first segment of MDTA operations to concentrate on the disadvantaged, to work at identifying their characteristics and needs, and to demonstrate the feasibility of training them. The findings have been of considerable help in implementing the redirection of regular MDTA training programs toward service to the disadvantaged.

—*Employer involvement.* It has become an important emphasis of manpower policy to engage employers more deeply in efforts to train and employ the disadvantaged. E&D projects have helped to identify many of the elements involved in this—for example, adjusting job standards to eliminate unnecessary educational requirements or use of unreliable aptitude tests; hiring of minimally prepared in-

dividuals and giving them extra help and supervision while adjusting to the demands of the work setting; and moving aggressively where job openings exist to provide positive assistance for minority group placement.

—*Enlargement of on-the-job training.* An E&D contractor, Mobilization for Youth, first pioneered the idea of having on-the-job training developed by private and community agencies, leading the way to major expansion of the MDTA on-the-job training program.

—*The Concentrated Employment Program.* Contributions to development of this system for delivery of manpower services have been made by several E&D projects. The JOBS NOW demonstration project helped train CEP staffs in a number of cities and otherwise guided the initial CEP activities (as already noted). Another E&D contractor, the Philadelphia Jewish Employment and Vocational Service, has refined the work-sample technique which enables counselors to make a better assessment of the abilities of workers for whom customary tests or counseling interviews are inadequate. The service is now guiding the CEP's and State Employment Services in learning how to utilize this technique.

—*Employment Service operations.* The evolution of the Employment Service's Human Resources Development Program, which is designed to reach and work with the disadvantaged, has drawn heavily upon outreach, assessment, orientation, counseling, and various supportive techniques developed through E&D projects.

The Employment Service's Youth Opportunity Centers have conducted several E&D projects which have led them to build new activities into much of their programing. For example, a program called TIDE, financed with E&D funds, demonstrated that group counseling sessions could produce dramatic effects in preparing disadvantaged youth for employment. Youth apparently are willing to accept criticism and respond constructively in a peer group situation where they can discuss employment and personal problems with others similarly situated. Employment orientation techniques developed in TIDE are gaining broad application in various other employability development programs.

State Employment Service agencies have been testing other innovations with E&D support and those found effective are applied widely. The Employment Service has also developed a practice of providing a regular flow of pertinent E&D findings to administrators concerned with development of new operating techniques.

—*Multioccupational training opportunity and development of skill centers.* The creation of multioccupational training arrangements in E&D projects helped pave the way for one of the significant directions of MDTA institutional training designed to meet more adequately the needs of the disadvantaged.

Without exception, early E&D efforts found it very difficult to determine reliably the skill potentials and interests of disadvantaged youth and appropriate occupational objectives for them. They therefore appealed to State and local vocational education agencies to change the then standard procedure of funding one course at a time, each with a different starting date and a restricted enrollment period, to a more flexible arrangement. This involved simultaneous approval of a variety of courses, cycled so as to be available to trainees at the same time; permission to give trainees exposure to more than one area, so as to permit better selection of fields of training; and allowance for shifts among training programs when trainees' abilities and interests changed.

The new flexible pattern of funding also facilitated arrangements for counseling services, basic education, and other supportive services and helped to achieve overall economy as well as efficiency. This new training mode began with the Chicago JOBS project, and quickly spread to projects in New Haven, Cleveland, Los Angeles, and Appalachia and to other E&D efforts.

This development also became central to the subsequent establishment of MDTA Skills Centers—centralized, self-contained facilities, operating full time to give comprehensive services to the disadvantaged in an institution which they can identify as their own. More than 50 skills centers are now operating na-

tionwide under the MDTA, operated mostly by the public vocational education system.

—*Work-experience programs.* Many of the E&D activities noted earlier have influenced work-experience programs under the Economic Opportunity Act, as well as the skill-training programs under the MDTA. In addition, with funds earmarked under the EOA expressly for E&D efforts geared to work-experience programs, some projects have been directed specifically to distinctive problems of such programs. One specific example may be helpful.

When the Economic Opportunity Act was amended to authorize the enrollment of boys and girls as young as 14 or 15 in Neighborhood Youth Corps in-school programs, administrators were confronted with the question of what types of work assignments might be feasible and meaningful at these ages.

Searching for assignments which could be beneficial both as experience in work responsibility and as an aid in educational development, an E&D project undertook to employ these youngsters as tutors. Run in Philadelphia by the National Commission on Resources for Youth, this project put youth aged 14 and 15, who were "underachievers" in school, to work as tutors for elementary school children who were also reading below their grade level. It was found that both the tutors and their pupils made progress in gaining literacy skills, a sense of responsibility, and appreciation for learning.

A subsequent project refined the procedures involved, brought in observers from other school systems, and led to the establishment of similar efforts in a number of cities. It has now provided a needed new type of work situation for in-school youth, which will be widely used not only by the Neighborhood Youth Corps but apparently also in programs under the Elementary and Secondary Education Act.

Utilization of E&D Knowledge

One of the major objectives of an experimental program is the dissemination and use of the knowledge it produces. It is noteworthy, therefore, that utilization of the findings of the present E&D program has in many ways surpassed reasonable expectations.

As indicated in the foregoing, insights and methods from E&D projects have affected the MDTA program almost from the start. Sometimes they were picked up as soon as they were born. This has been a consequence of attentive and persistent effort at program improvement by the Department of Labor, recognizing that the problems of the disadvantaged are such as to brook no delay in applying on a broad scale any significant clues to effective remedial approaches.

TRANSLATION AND DISSEMINATION OF PROJECT FINDINGS

As E&D findings have multiplied and become more refined and subtle, the problems of effective dissemination have been compounded. Different audiences with varying degrees of decisionmaking power must be reached. Policy planners, administrators, and technical specialists of Federal agencies, along with their counterparts at State and local levels, are all concerned, as are the practitioners—those directly conducting programs and their staffs of counselors, instructors, coaches, placement personnel, and others who work directly with the people to be served.

Special techniques in selecting and packaging E&D findings must be used to insure that they reach and gain the attention of the appropriate user audiences.

One successful enterprise in summary and appraisal of experience was called Operation Retrieval. This was a study of 55 E&D youth projects. Eight basic areas of a comprehensive training system—from intake, through counseling, basic education, and occupational training, to job development and placement—were distinguished. Eight individuals, each a specialist in one of these areas, were assigned to analyze and synthesize the

project results in their respective fields. The resulting papers may be used singly or in any combination suited to the interests of the users. Taken together, they constitute a very broad report on early E&D experience and findings with respect to effective methods of working with disadvantaged youth.[6]

Utilization activity, however, does not wait until projects are over. It should begin even before the project does, through participation of program officials in identification of the problems and issues and how they might be resolved more effectively. Potential users of results must also be identified early and become aware of emerging findings well before the end of any project effort.

DISSEMINATION TECHNIQUES

Apart from circulation of reports, analyses, and guides, there has been an accelerated development of face-to-face meetings of decisionmakers and key project staff.

One device is the "mini-conference." This brings together a group small enough to work effectively but large enough to include key administrators from relevant agencies and departments. They may meet in Washington or on the site of a project to examine promising project results and to confront the problems involved in putting new knowledge to use in regular programs.

A State or regional working conference is also used as a tool for stimulating dissemination and application of findings. Such conferences engage administrators at the Federal, regional, State, and local levels. The people who can make policy, manage funds, and achieve coordination and cooperation come together to analyze project results and consider how they can and should be used. The Employment Service, vocational education, and vocational rehabilitation systems and the anti-poverty agencies are generally represented at all levels. Local representation ordinarily includes leaders from private industry, labor unions, and the relevant social agencies. When it appears that universities and professional associations could be helpful, they are involved. Results have been most promising both in getting more attention to the written reports and in stimulating action on them.

Communication about new E&D findings and their program applications is relatively simple at the Federal level. An interagency utilization group meets regularly to focus on common problems and to share ideas and information on how to meet them. There are, however, many branching paths of Federal, State, and local communication and many institutional barriers to the effective transmission and adoption of improved approaches.

The Federal-State Employment Service system—with more than 2,000 local offices across the country and a central role in major manpower programs—is gradually becoming an effective channel for disseminating new findings and encouraging their utilization. The educational system and the network of community and social service institutions also have key roles to play in gaining general application of useful new knowledge. But the E&D program is still in the early stages of learning how to win ready receptivity for new ideas that could be useful to the educational and social service systems.

Interagency Cooperation

The Department of Labor's E&D program is conducted in consultation not only with key operating officials of other agencies with related programs but also with research and development staffs and major private foundations concerned with manpower and employment problems. In addition to periodic exchanges of information on major plans and promising findings, there is often joint review of particular projects.

E&D projects involving institutional training are reviewed in detail with the Department of Health, Education, and Welfare. Projects with aspects relevant to other agencies are also developed with their guidance as to priorities and design. Consultation is most frequent with the Office

[6] The Department of Labor's Manpower Administration plans to publish the full report in 1969, under the title "Breakthrough for Disadvantaged Youth."

of Economic Opportunity, Department of Commerce, and the Department of Housing and Urban Development, but a few projects involve other agencies as well.

COORDINATED PROJECTS

Joint effort extends beyond consultation. Many E&D projects are financed jointly or built upon operating programs administered in part by other agencies. About a third of the E&D projects have been funded jointly with other agencies.

For example, the multicity Opportunities Industrialization Center project described earlier was planned jointly by the Departments of Labor and Health, Education, and Welfare, and the Office of Economic Opportunity. A pooling of resources from both E&D and regular program funds, enabled a broad-scale demonstration that could not be supported from one funding source alone.

The prisoner training project at the Draper Correctional Institution at Elmore, Ala., is another example. There, the Rehabilitation Research Foundation has an E&D contract under the MDTA, a research contract from the National Institute of Mental Health, with support from the State Department of Vocational Rehabilitation, and grant-in-aid funds from the Rehabilitation Services Administration of the Department of Health, Education, and Welfare. Each contract is independent. Each serves a special knowledge-producing purpose for its sponsor, which is not within the purview of the other sponsors. Yet the projects are mutually reinforcing, each enhancing the work of the others.

Another type of cooperative arrangement is illustrated by an E&D project in Cincinnati which is exploring how to provide work experience for disadvantaged youth in housing renovation and ghetto area construction-repair work, in preparation for construction employment and entry into apprenticeship in the construction trade. The work on which youth are given such experience is financed through Department of Housing and Urban Development grants for property rehabilitation and code enforcement work.

Similarly, E&D projects exploring methods of developing minority entrepreneurship employment are coupled to the Small Business Administration's loan program, under the direct guidance of SBA personnel.

CROSS-FERTILIZATION OF EXPERIMENTAL ACTIVITIES

Although limitations of staff, time, and resources prevent as detailed an interchange as might be desirable, the staff of the E&D program seek to draw on the research and experimental findings of other government agencies and private organizations and, in turn, to contribute to their work.

The developmental work in educational technology and on curriculum materials by the Office of Education, for instance, has helped to influence the methods and materials used in the educational and training components of many E&D efforts. And much of the vocational rehabilitation experience with the physically handicapped has been looked to and tested for applicability to those who are disadvantaged for other reasons.

A recent report on the case history of a client at a vocational rehabilitation center illustrates the variety of techniques from many sources drawn upon in working with the disadvantaged. Its summary states that "work samples, programed instructions, operant conditioning, group discussions, video tapes, and clearly defined goals were used extensively in preparing this client for training and employment." [7] This statement might well have come from the report of many an E&D project.

It would be difficult to identify the initial source of any of the techniques and approaches cited, and nearly impossible to give adequate credits to the agencies that contribute to their refinement and their application in manpower development. The concepts of programed learning and operant conditioning were born in university laboratories. Programed instruction was first extensively developed and applied in education and training by the Department of Defense and has been developed in specialized training areas by private industry. MDTA experimental projects made the first systematic application of programed instruction in work with the disadvantaged, as well as early efforts to develop programed materials which relate basic education to occupational training. (These efforts have since stimulated private enterprise to develop commercial materials for use with disadvantaged persons.) Work-sampling techniques have long been used in work with the physically

[7] Robert Walker, "The Disadvantaged Enter Rehabilitation—Are Both Ready," *Rehabilitation Record*, May–June 1968.

and mentally handicapped, but they have been adapted and are now being given broader application through MDTA E&D projects.

As these examples suggest, the E&D program has contributed to needed refinement of techniques for increasing the employability of different disadvantaged groups. But the E&D program would be unnecessarily primitive in execution if it did not draw upon many sources in and out of Government, and systematic efforts have been made to utilize these sources.

The experimental efforts of the Office of Economic Opportunity and of the Office of Education, Rehabilitation Services Administration, and National Institute for Mental Health of the Department of Health, Education, and Welfare are studied for new techniques, procedures, and hypotheses. Proposals for manpower E&D projects which would benefit from the knowledge of other agencies are given to them for comment and suggestion, and proposals which are in another agency's legislative mandate and capability are referred to that agency for consideration. Thus, related Federal programs, each with limited resources, make complementary, mutually reinforcing contributions to manpower development.[8]

Future Directions for Experimentation and Demonstration

Manpower problems continually shift with economic, social, and technological change. The programs developed to meet them face a need for continual updating and redesign for greater effectiveness. The E&D program is a basic tool for that purpose.

The emphases in E&D efforts must shift steadily as findings of completed efforts either bear fruit in improvements in established programs or indicate that particular ideas have inadequate practical merit. The program must direct its attention to potential new opportunities for guiding operating programs so as to overcome their major gaps and weaknesses. And it must seek to forge ahead of current program concerns to anticipate likely new major problem areas and to develop bases for knowledgeable attacks upon them.

For the immediate future, the principal priorities in E&D exploration will include how to:

—Remove employment barriers for residents of urban ghetto areas which the JOBS and Concentrated Employment programs find most difficult to overcome.

—Develop improved opportunities for migrant workers and for poor rural residents considering moves to jobs in new areas.

—Broaden opportunity for the employed poor, particularly how to generate industry programs to meet skill needs by systematic training and upgrading for workers in bottom-level jobs.

—Reduce delinquency and crime rooted in barriers to employment of those with police records.

—Improve the school-to-work transition for disadvantaged youth.

—Aid underutilized older workers in attaining more satisfying employment.

In addition, the E&D program will be directed to the growing need for analysis and measurement of the relative impact of alternative approaches, so that agencies may more knowingly select among alternative techniques for meeting specific objectives. This is being done particularly through development of "experimental manpower laboratories" to measure effectiveness of manpower services on a systematic, controlled, long-term basis. Such laboratories—facilities which have conducted effective demonstrations and which combine operating experience and analytical interest and competence—are necessary to obtain a caliber of personnel and a continuity, scope, and depth of formal experimentation usually not attainable in ad hoc demonstration efforts.

The initial laboratory, the Mobilization for

[8] This discussion makes no attempt at comprehensive coverage of all the experimental and demonstration activities, conducted by both public and private agencies, that fall within the parameters of the total problem of poverty, unemployment, sub-employment, and manpower development. The list of agencies so engaged and of their subject areas—such as income maintenance, alleviation of seasonal unemployment, curriculum development, special techniques for the handicapped, to name only a few—would be excessively long.

Youth program in New York, focuses on youth development and industry techniques for employing disadvantaged youth. A second, which links Colorado State University and operating agencies in Denver, is to explore the value of varied methods of postplacement support for groups with differing employment problems. A third will involve the Rehabilitation Research Foundation and the Alabama prison system in concentrated experimentation with manpower services for prisoners before and after their release.

Finally, E&D efforts will continue to search for innovative ways to improve basic capabilities of agencies and organizations with manpower development responsibilities. This feature of E&D work will concentrate on how better to enable industry and manpower agencies to:

—Involve and benefit from the talents of youth and self-help organizations concerned with the employment needs of alienated youth and minority groups.

—Develop staff competence to meet manpower objectives.

—Gain flexibility and receptivity to the introduction of improved techniques for resolving employment problems.

TECHNICAL APPENDIX

A. Cost-Effectiveness Analysis of Manpower Programs

Cost-effectiveness analysis of manpower programs in the Manpower Administration of the U.S. Department of Labor was initiated in 1966. Because of limited finances and staff resources, and the newness of the methodological problems, only a very modest program has been attempted. Much of the work has been and is being performed jointly by Manpower Administration and contractor staff; some studies are completely in-house; and still others have been contracted out to private researchers under the Manpower Administration's program of research grants and contracts.

The main output of the first year and a half of activity was a manual outlining the analytical problems of cost-effectiveness analysis within the manpower context, and the preparation of three pilot projects—in each of the Manpower Administration's three major program categories and utilizing each of three types of analytic techniques. The programs and techniques are paired as follows:

Analytic technique	*Program category*
1. Cost-effectiveness analysis of alternative programs	Manpower development assistance (primarily training programs)
2. Cost-goal analysis	Employment assistance (primarily the activities of the Federal-State Employment Service system)
3. Cost-constraint analysis	Income maintenance (primarily unemployment insurance)

The manual is geared to technical staff and deals with basic conceptual and measurement problems.

PILOT STUDIES

The first of the pilot studies is a comparison of the costs and benefits of institutional and on-the-job training under the Manpower Development and Training Act. Despite many qualifications, resulting mainly from data deficiencies, the study indicates the value of both on-the-job and institutional training as Federal investments. The average net Federal benefit-cost ratio, defined as the direct and indirect benefits to society (exclusive of increased taxes paid) compared to the Federal investment per trainee, is found to be 3.28 to 1 for on-the-job training and 1.78 to 1 for institutional training, only *one* year after training. Even without prejudging the number of years for which the differential benefit would last, or whether it would tend to increase, decrease, or remain constant, or without arbitrarily assigning a discount rate by which to calculate present values of benefits, the desirability of both programs is clear. The corresponding benefit-cost ratios computed only for those trainees who completed all units of instruction are somewhat lower, since the total costs are spread over a smaller number of trainees. But even here, the ratios are 2.13 to 1 for on-the-job training and 1.09 to 1 for institutional training.

On the cost side, total institutional training and allowance costs per trainee (or completer) are a little less than half the total costs per on-the-job trainee (or completer). (This comparison involves some rather strong assumptions concerning the private employer costs of on-the-job training, for which there was little statistical confirmation.) The reverse is true for Federal costs, however; the cost to Government for each on-the-job trainee is roughly one-half the cost for each person receiving institutional training.

On the benefit side—and it must be emphasized that this study deals with increments to earnings, not the absolute level of earnings—the institutional trainee does a little better than the on-the-job trainee. This is due to a larger posttraining increase in the duration of employment for the institutional trainee, which more than compensates for the 30 to 50 percent greater increase in hourly wage accruing to the on-the-job trainee.[1] Institutional trainees in the sample used for the pilot study typically had longer periods of unemployment prior to their training than did on-the-job trainees. Since they started out with more to gain in terms of length of employment, the training reduced their posttraining periods of unemployment more than it reduced the unemployment of on-the-job trainees. Still, in the year after training, on-the-job trainees had less unemployment than did institutional trainees.

The second pilot study, dealing with an illustrative cost-goal analysis in the U.S. Employment

[1] When duration of employment during the first posttraining year was compared with that of the year preceding training, institutional trainees were found to have averaged a 5-week longer increase than OJT trainees.

Service area, was designed primarily to indicate a specific kind of measurement of costs and benefits; namely, the estimated benefits to the gross national product that would result from an additional dollar of expenditure on Employment Service activities—additional, that is, to the amounts expended in fiscal year 1965. It also demonstrates a method of measuring the differences in the estimated benefit to GNP that would result from placing that additional dollar into one or another of the battery of services provided by the Federal-State Employment Service system. For example, an increase in openings per new job applicant greatly influenced earnings of placed applicants per new application, suggesting that additional investment in job development and job solicitation would have a high payoff in comparison with comparable investment in other Employment Service activities. (It should be noted that the study findings were based on the economic situation in fiscal 1965. The payoff on job solicitation would be influenced by market demand; what that payoff would be under different economic conditions was not investigated in this study.)

The main conclusion of the study is that the GNP would receive a payoff of $14 a year for each additional dollar of resources invested in U.S. Employment Service nonfarm activities. This finding, which is also subject to severe statistical limitations because of inadequate data resources, is valid only for years in which similar economic, job market, budgetary, and operating conditions prevail, and would require modification to account for significant differences in any of these factors.

In this study, Employment Service benefits were expressed in terms of one, and only one, criterion: estimated earnings of placed applicants (nonagricultural), excluding short-time and repeat placements, per new application. This gross measure clearly understates full benefits provided by the Employment Service since it excludes:

1. Services which did not culminate in placements, but which may have yielded to the recipients dollar benefits that could be measured as additions to GNP—for example, job market information; counseling and aptitude testing; identification of need; and referral to training, rehabilitation, or other social service agencies. (Such services, designed primarily to increase employability rather than to make placements, have an increasing role in the activities of the Employment Service, with its present emphasis on the poor and disadvantaged.)

2. Nondollar (and perhaps nonquantifiable) benefits, such as better job attitudes, greater job satisfaction, and greater job stability.

On the other hand, the measure probably overstates the *dollar* benefits to applicants placed by the Employment Service, since their *actual* annual earnings are probably less than the *average* annual earnings, by occupation, estimated for each State by the Bureau of the Census and used as the *estimated* earnings of applicants in the year following placement. Certainly many of the Employment Service placements are made at entry-level, rather than average, wages.

The third illustrative study was an attempt to assess the "costs," as related to the anticyclical objectives of unemployment insurance, of failure to enact the proposed 1966 amendments to the unemployment insurance legislation. These amendments would have extended the duration of benefits, increased coverage, and provided larger benefits relative to weekly earnings. Available data indicate that the individuals who would have been affected by the amendments would have longer durations of unemployment, fewer assets, and higher current indebtedness than current unemployment insurance recipients—all factors which strongly affect their marginal propensities to consume.

This analysis is concerned primarily with the *relative* anticyclical impact of the defeated amendments, and not with the absolute level of anticyclical effects to be expected from the entire unemployment insurance program. While the program operates quite effectively as an *automatic* stabilizer in a period of economic decline, the absolute amounts involved are relatively small, and the program is not likely to become a major tool of anticyclical policy.

STAFF STUDIES

In addition to these three studies, there are two significant staff undertakings. The more important is a theoretical model, to indicate the effect of an incremental year of education or training on employment and lifetime earnings, by race, sex, and major occupational group. It also provides a method (though not enough hard data) for esti-

mating such items as, for example, the cost of raising a nonwhite male, age 25, from unskilled to skilled status, or the combined costs to a Negro or to a woman of job discrimination and differences in educational standards. The study is a contribution to the theory of human capital which, it is believed, improves on earlier pioneering work in five major ways:

1. By emphasizing the intergenerational basis for the investment in human capital.

2. By providing a method for estimating the dollar value of the contribution of a nonworking mother's care to the education and training of her child, and the real cost to society of providing paid services to replace that contribution if she enters the job market while her children are still young.

3. By estimating the relative importance for resource allocation of the four components of education and training—parental care, formal education, training on the job, and other experience.

4. By measuring the effect of family size on the dollar value of the education and training of the individual.

5. By systematically establishing differential discount rates to be applied in estimating the present dollar value of education and training for different occupational groups, by sex and color.

The second staff effort is the development of several simple simulation models of manpower activities, designed to illustrate sensitivity to alternative input assumptions. Since these are based on purely hypothetical assumptions rather than experientially derived parameters, they are more in the nature of analytic tools than cost-effectiveness studies. Simulation techniques have been applied to experimental mobility projects of the Employment Service and to the relationship of the present concentration of manpower program efforts in slum areas to changes in the unemployment rates in those areas.

Cost-effectiveness studies are also being carried out in some of the State Employment Service offices. Nevada has designed a project that will provide much better data for analysis than are currently being obtained nationally; these data not only will provide the basis for the State study but also will be available for use in the national office to test analytical methods as well as program costs and benefits.

Several studies are being conducted by private researchers on contract with the Department of Labor. Most of them are concerned with training programs under the Manpower Development and Training Act. These studies indicate good payoffs over the working lifetime of the trainees studied, and have been useful in exploring different concepts and analytic techniques. Unfortunately, however, they are not comparable with one another and so have not yet yielded very useful policy guidance concerning the geographic areas, occupations, trainee characteristics, etc., which have the best benefit-cost ratios. Similarly, some State Employment Service offices have contracted for cost-effectiveness studies of their operations: results are not yet in, but the utility of these, too, will suffer from lack of comparability.

PROPOSED STUDY AREAS

Current efforts are devoted to further exploration of the subjects already studied as well as to new topics. Major study areas are planned to include:

1. Further investigation of on-the-job–institutional training comparisons, by type of client (particularly the disadvantaged), with further research into the statistical significance of the results, and with followup on experience in a more extended posttraining period, using social security data. This will also provide a test of the social security data as a resource both for followup of enrollees in manpower programs and for providing a control group.

2. An indepth survey and analysis of the Employment Service at the local level, both to explore the possibilities of better data and to develop a model evaluation system with an adequate built-in information system.

3. Development of a simulation model to indicate how the Manpower Administration can establish its optimum investment in a particular individual, given his characteristics (age, sex, education, skills, attitudes, etc.).

4. Formulation of a consistent goal and subgoal structure for programs directed to the disadvantaged, devising a cost-goal study to explore the optimum mix of manpower services for the dis-

advantaged and actually calculating the cost-goal curve insofar as data permit.

5. An attempt to devise a more meaningful cost-constraint analysis in the unemployment insurance area than was possible in the first illustrative study.

6. Exploration of data requirements, the relative usefulness and desirability of one-time versus continuous studies, cross-section versus longitudinal studies, etc., in planning future cost-effectiveness analysis of manpower programs.

7. Cost-effectiveness studies of services being rendered to clients under the Concentrated Employment Program, the Human Resources Development approach of the Federal-State Employment Service system, and the Neighborhood Youth Corps in-school and summer programs.

B. Evaluation of Manpower Programs

Shortly after the establishment of the Manpower Administration in early 1963, the Manpower Administrator was assigned responsibility by the Secretary for conducting a program for reviewing and evaluating all aspects of the comprehensive manpower program. To carry out this responsibility, a Division of Program Evaluation was created in the then-existing Office of Manpower, Automation and Training. Thus a group not intimately connected with the operations and internal processes of any one agency would take a detached look at the progress, results, and effectiveness of operations and provide appropriate recommendations both to the Manpower Administrator and to the officials responsible for program operations.

The evaluation program has relied upon onsite evaluations of the various manpower programs, usually on a national sampling basis, to provide the Manpower Administrator and operating officials with an objective picture of their progress in overcoming obstacles to full attainment of program goals. Recommendations based on the findings have been provided for program improvement, for new or revised policies and standards, and for legislative changes. Meetings have been held with officials and staff of the operating agencies on the findings and actions needed. In addition, followup discussions have been held by the evaluators to determine the extent and adequacy of corrective actions taken.

Initially, priority was given to programs under the Manpower Development and Training Act because of their newness and their significance in the manpower field. During 1965, the evaluation program was expanded to appraise additional manpower programs. At the same time, the various evaluative efforts of component agencies within the Manpower Administration were drawn together in an interrelated system under the leadership of the Manpower Administrator's evaluation staff.

By April 1968, 51 evaluation studies had been completed or launched. Most of them were done by the limited staff of the Division of Program Evaluation, with representatives of the operating agencies concerned invited to participate and assist. In a few instances studies were done in whole or in part through contract with research organizations and occasionally with the assistance of outside consultants.

In April 1968, the Division of Program Evaluation was expanded into the Office of Evaluation. The enlarged operation includes development and implementation of a comprehensive, ongoing evaluation system covering all of the programs and activities within the Manpower Administration. Funds have been made available to contract for a substantial number of studies with research organizations. Between April 1 and June 30, 1968, a total of 22 additional studies were funded.

The Office of Evaluation currently:

1. Provides leadership and coordination for all evaluation activities in the Manpower Administration.

2. Conducts comprehensive evaluation studies of a continuous and generally long-term nature, usually under contract, for the purpose of determining the impact and effectiveness of manpower programs and services.

3. Conducts special short-term investigations and studies, on short notice, of manpower projects.

4. Conducts a continuous review and analysis of the overall impact of manpower programs and oversees the review and analysis efforts of Manpower Administration components.

5. Conducts followup on the application of findings and recommendations of both evaluation studies and review and analysis activities.

6. Develops new and improved evaluation methods, standards, and criteria for assessing program progress and effectiveness.

Operating bureaus also conduct a continuous monitoring operation—of projects, offices, and activities under their jurisdiction—to insure compliance with program requirements and procedures and with recommendations for changes.

The evaluation program for fiscal year 1969 includes about 35 evaluation studies, to be made by Department of Labor staff and outside contractors. Eight major manpower program areas and about 75 cities will be covered. The studies will be designed to provide complete coverage of all signifi-

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cant new manpower programs; coverage of essential elements of all manpower development and delivery systems operated under the jurisdiction of the Department of Labor; close surveillance of all new and evolving programs; and emphasis on measuring impact and effectiveness both of individual programs and of those that cross program lines.

STATISTICAL APPENDIX

This is an abbreviated version of the Statistical Appendix containing only two of the seven sections that have been published in earlier reports. Annual averages for 1968 for the labor force, establishment employment, and other manpower series shown in the other sections were not available in time to meet the publication schedule. A complete Statistical Appendix containing these data will be issued shortly.

The U.S. Department of Labor is the source of all data shown in the following tables unless otherwise specified, and Alaska and Hawaii are included unless otherwise noted.

Individual items in the tables may not add to totals because of rounding.

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NOTE: Section A, Labor Force, Employment, Unemployment; Section B, Special Labor Force Data; Section C, Employment, Hours, Earnings, and Labor Turnover in Nonagricultural Establishments; Section D, State and Area Employment and Unemployment; and Section G, Productivity, Gross National Product, Other Data will be published in a later edition of the Statistical Appendix. See the foreword to this appendix for explanation.

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Table E–1. Estimates and Projections of the Total Population, by Age, 1950 to 1990 [1]

[Numbers in thousands]

Age	Estimates			Projections			Number change				Percent change			
	1950	1960	1967	1970	1980	1990	1950–60	1960–70	1970–80	1980–90	1950–60	1960–70	1970–80	1980–90
Total	152,271	180,684	199,118	207,326	243,291	286,501	28,413	26,642	35,965	43,210	18.7	14.7	17.3	17.8
Under 16 years	43,131	58,868	63,678	65,300	76,737	95,433	15,737	6,432	11,437	18,696	36.5	10.9	17.5	24.4
Under 5 years	16,410	20,364	19,191	20,027	27,972	31,493	3,954	−337	7,945	3,521	24.1	−1.7	39.7	12.6
5 to 15 years	26,721	38,504	44,486	45,273	48,765	63,940	11,783	6,769	3,492	15,175	44.1	17.6	7.7	31.1
16 years and over	109,141	121,814	135,440	142,025	166,552	191,068	12,673	20,211	24,527	24,516	11.6	16.6	17.3	14.7
16 to 24 years	20,222	21,814	29,373	32,347	37,937	40,180	1,592	10,533	5,590	2,243	7.9	48.3	17.3	5.9
16 to 19 years	8,542	10,698	14,176	15,086	16,940	19,512	2,156	4,388	1,854	2,572	25.2	41.0	12.3	15.2
20 to 24 years	11,680	11,116	15,197	17,261	20,997	20,668	−564	6,145	3,736	−329	−4.8	55.3	21.6	−1.6
25 to 44 years	45,673	47,134	47,077	48,276	62,373	79,313	1,461	1,142	14,097	16,940	3.2	2.4	29.2	27.2
25 to 34 years	24,036	22,911	23,092	25,315	36,997	42,449	−1,125	2,404	11,682	5,452	−4.7	10.5	46.1	14.7
35 to 44 years	21,637	24,223	23,984	22,961	25,376	36,864	2,586	−1,262	2,415	11,488	12.0	−5.2	10.5	45.3
45 to 64 years	30,849	36,208	40,194	41,817	43,179	44,570	5,359	5,609	1,362	1,391	17.4	15.5	3.3	3.2
45 to 54 years	17,453	20,581	22,621	23,326	22,147	24,542	3,128	2,745	−1,179	2,395	17.9	13.3	−5.1	10.8
55 to 64 years	13,396	15,627	17,573	18,491	21,032	20,028	2,231	2,864	2,541	−1,004	16.7	18.3	13.7	−4.8
65 years and over	12,397	16,658	18,796	19,585	23,063	27,005	4,261	2,927	3,478	3,942	34.4	17.6	17.8	17.1

[1] Data relate to July 1 and include the Armed Forces abroad. Alaska and Hawaii are also included beginning 1960.

SOURCE: U.S. Department of Commerce, Bureau of the Census, Current Population Reports, Series P-25: for 1950 data, No. 311; for 1967 data, No. 385; for other years, No. 381, Series B.

Table E–2. Total Population,[1] Total Labor Force, and Labor Force Participation Rates, by Sex and Age, 1960 to 1980

[Numbers in thousands]

Sex and age	Total population, July 1					Total labor force, annual averages					Labor force participation rates, annual averages (percent)				
	Actual		Projected			Actual		Projected			Actual		Projected		
	1960	1965	1970	1975	1980	1960	1965	1970	1975	1980	1960	1965	1970	1975	1980
BOTH SEXES															
16 years and over	121,817	131,184	141,713	153,627	165,473	72,104	77,177	84,617	92,183	99,942	59.2	58.8	59.7	60.0	60.4
MALE															
16 years and over	59,420	63,608	68,485	74,127	79,824	48,933	50,946	54,960	59,356	64,061	82.4	80.1	80.3	80.1	80.3
16 to 19 years	5,398	6,880	7,587	8,302	8,510	3,162	3,831	4,280	4,664	4,824	58.6	55.7	56.4	56.2	55.7
20 to 24 years	5,553	6,872	8,621	9,609	10,394	4,939	5,926	7,466	8,331	9,064	88.9	86.2	86.6	86.7	87.2
25 to 34 years	11,347	11,091	12,540	15,557	18,285	10,940	10,653	12,063	14,966	17,590	96.4	96.0	96.2	96.2	96.2
35 to 44 years	11,878	11,962	11,303	11,068	12,496	11,454	11,504	10,930	10,703	12,084	96.4	96.2	96.7	96.7	96.7
45 to 54 years	10,148	10,740	11,289	11,379	10,757	9,568	10,131	10,725	10,810	10,219	94.3	94.3	95.0	95.0	95.0
55 to 64 years	7,564	8,131	8,759	9,287	9,776	6,445	6,768	7,388	7,795	8,184	85.2	83.2	84.3	83.9	83.7
55 to 59 years	4,144	4,421	4,794	4,990	5,296	3,727	3,929	4,339	4,516	4,793	89.9	88.9	90.5	90.5	90.5
60 to 64 years	3,420	3,710	3,965	4,297	4,480	2,718	2,839	3,049	3,279	3,391	79.5	76.5	76.9	76.3	75.7
65 years and over	7,530	7,932	8,385	8,923	9,606	2,425	2,131	2,108	2,087	2,096	32.2	26.9	25.1	23.4	21.8
65 to 69 years	2,941	2,871	3,137	3,362	3,651	1,348	1,209	1,142	1,136	1,143	45.8	42.1	36.4	33.8	31.3
70 years and over	4,590	5,061	5,248	5,561	5,955	1,077	922	966	951	953	23.5	18.2	18.4	17.1	16.0
FEMALE															
16 years and over	62,397	67,578	73,228	79,500	85,649	23,171	26,232	29,657	32,827	35,881	37.1	38.8	40.5	41.3	41.9
16 to 19 years	5,275	6,681	7,375	8,081	8,221	2,061	2,519	2,908	3,201	3,286	39.1	37.7	39.4	39.6	40.0
20 to 24 years	5,547	6,796	8,483	9,446	10,230	2,558	3,375	4,267	4,865	5,380	46.1	49.7	50.3	51.5	52.6
25 to 34 years	11,605	11,267	12,680	15,582	18,232	4,159	4,336	4,894	6,124	7,347	35.8	38.5	38.6	39.3	40.3
35 to 44 years	12,348	12,470	11,694	11,391	12,771	5,325	5,724	5,555	5,582	6,386	43.1	45.9	47.5	49.0	50.0
45 to 54 years	10,438	11,304	12,071	12,195	11,437	5,150	5,714	6,675	7,024	6,805	49.3	50.5	55.3	57.6	59.5
55 to 64 years	8,070	8,835	9,741	10,558	11,279	2,964	3,587	4,267	4,826	5,337	36.7	40.6	43.8	45.7	47.3
55 to 59 years	4,321	4,736	5,252	5,577	5,983	1,803	2,209	2,705	3,023	3,362	41.7	46.6	51.5	54.2	56.2
60 to 64 years	3,749	4,099	4,489	4,981	5,296	1,161	1,378	1,562	1,803	1,975	31.0	33.6	34.8	36.2	37.3
65 years and over	9,115	10,225	11,186	12,248	13,481	954	976	1,091	1,205	1,340	10.5	9.5	9.8	9.8	9.9
65 to 69 years	3,347	3,427	3,755	4,122	4,580	579	585	653	717	797	17.3	17.1	17.4	17.4	17.4
70 years and over	5,768	6,798	7,431	8,126	8,901	[illegible]	391	438	488	543	6.5	5.8	5.9	6.0	6.1

[1] These population data (and those in table E–4) differ from the figures shown in the preceding table and elsewhere in this report because they are based on earlier population estimates and projections.

SOURCE: Population data from the U.S. Department of Commerce, Bureau of the Census, Current Population Reports, Series P-25: for 1960, No. 241; for 1965, unpublished estimates; for 1970–80, No. 286, Series B. All other data from the U.S. Department of Labor, Bureau of Labor Statistics.

Table E–3. Changes in the Total Labor Force, by Sex and Age, 1950 to 1980

[Numbers in thousands]

Sex and age	Actual		Projected		Number change			Percent change		
	1950	1960	1970	1980	1950–60	1960–70	1970–80	1950–60	1960–70	1970–80
BOTH SEXES										
16 years and over	63,858	72,104	84,617	99,942	8,246	12,513	15,325	12.9	17.4	18.1
16 to 24 years	12,440	12,720	18,921	22,554	273	6,208	3,633	2.2	48.8	19.2
25 to 44 years	29,263	31,878	33,442	43,407	2,615	1,564	9,965	8.9	4.9	29.8
25 to 34 years	15,145	15,099	16,957	24,937	−46	1,858	7,980	−.3	12.3	47.1
35 to 44 years	14,118	16,779	16,485	18,470	2,661	−294	1,985	18.8	−1.8	12.0
45 years and over	22,156	27,506	32,254	33,981	5,350	4,748	1,727	24.1	17.3	5.4
45 to 64 years	19,119	24,127	29,055	30,545	5,008	4,928	1,490	26.2	20.4	5.1
65 years and over	3,037	3,379	3,199	3,436	342	−180	237	11.3	−5.3	7.4
MALE										
16 years and over	45,446	48,933	54,960	64,061	3,487	6,027	9,101	7.7	12.3	16.6
16 to 24 years	8,045	8,101	11,746	13,888	49	3,652	2,142	.6	45.1	18.2
25 to 44 years	20,996	22,394	22,993	29,674	1,398	599	6,681	6.7	2.7	29.1
25 to 34 years	11,044	10,940	12,063	17,590	−104	1,123	5,527	−.9	10.3	45.8
35 to 44 years	9,952	11,454	10,930	12,084	1,502	−524	1,154	15.1	−4.6	10.6
45 years and over	16,405	18,438	20,221	20,499	2,033	1,783	278	12.4	9.7	1.4
45 to 64 years	13,952	16,013	18,113	18,403	2,061	2,100	290	14.8	13.1	1.6
65 years and over	2,453	2,425	2,108	2,096	−28	−317	−12	−1.1	−13.1	−.6
FEMALE										
16 years and over	18,412	23,171	29,657	35,881	4,759	6,486	6,224	25.8	28.0	21.0
16 to 24 years	4,395	4,619	7,175	8,666	224	2,556	1,491	5.1	55.3	20.8
25 to 44 years	8,267	9,484	10,449	13,733	1,217	965	3,284	14.7	10.2	31.4
25 to 34 years	4,101	4,159	4,894	7,347	58	735	2,453	1.4	17.7	50.1
35 to 44 years	4,166	5,325	5,555	6,386	1,159	230	831	27.8	4.3	15.0
45 years and over	5,751	9,068	12,033	13,482	3,317	2,965	1,449	57.7	32.7	12.0
45 to 64 years	5,167	8,114	10,942	12,142	2,947	2,828	1,200	57.0	34.9	11.0
65 years and over	584	954	1,091	1,340	370	137	249	63.4	14.4	22.8

Table E–4. Total Population, Total Labor Force, and Labor Force Participation Rates, by Color, Sex and Age, 1960 to 1980

[Numbers in thousands]

Color, sex, and age	Total population, July 1					Total labor force, annual averages					Labor force participation rates, annual averages (percent)				
	Actual		Projected			Actual		Projected			Actual		Projected		
	1960	1965	1970	1975	1980	1960	1965	1970	1975	1980	1960	1965	1970	1975	1980
TOTAL															
16 years and over	121,817	131,184	141,713	153,627	165,473	72,104	77,177	84,617	92,183	99,942	59.2	58.8	59.7	60.0	60.4
WHITE															
Both sexes															
16 years and over	109,279	117,406	126,395	136,412	146,141	64,210	68,627	75,055	81,436	87,872	58.8	58.5	59.4	59.7	60.1
Male															
16 years and over	53,408	57,039	61,215	65,966	70,654	44,119	45,862	49,263	52,946	56,822	82.6	80.4	80.5	80.3	80.4
16 to 19 years	4,763	6,040	6,583	7,155	7,235	2,801	3,398	3,728	4,033	4,122	58.8	56.3	56.6	56.4	57.0
20 to 24 years	4,905	6,062	7,599	8,370	8,998	4,370	5,223	6,592	7,278	7,876	89.1	86.2	86.7	87.0	87.5
25 to 34 years	10,092	9,833	11,074	13,720	16,000	9,777	9,503	10,711	13,269	15,474	96.9	96.6	96.7	96.7	96.7
35 to 44 years	10,675	10,723	10,111	9,843	11,082	10,346	10,379	9,821	9,561	10,763	96.9	96.8	97.1	97.1	97.1
45 to 54 years	9,166	9,709	10,194	10,252	9,662	8,690	9,209	9,725	9,772	9,205	94.8	94.8	95.4	95.3	95.3
55 to 64 years	6,874	7,382	7,965	8,450	8,882	5,892	6,192	6,749	7,116	7,455	85.7	83.9	84.7	84.2	83.9
65 years and over	6,933	7,290	7,689	8,176	8,795	2,243	1,958	1,937	1,917	1,927	32.4	26.9	25.2	23.4	21.9
Female															
16 years and over	55,871	60,367	65,180	70,446	75,487	20,091	22,765	25,792	28,490	31,050	36.0	37.7	39.6	40.4	41.1
16 to 19 years	4,630	5,839	6,344	6,905	6,923	1,853	2,273	2,551	2,767	2,792	40.0	38.9	40.2	40.1	40.3
20 to 24 years	4,842	5,964	7,402	8,133	8,750	2,215	2,920	3,695	4,174	4,604	45.7	49.0	49.9	51.3	52.6
25 to 34 years	10,172	9,850	11,131	13,664	15,835	3,451	3,575	4,084	5,148	6,155	33.9	36.3	36.7	37.7	38.9
35 to 44 years	11,017	11,047	10,285	9,996	11,249	4,537	4,880	4,744	4,779	5,510	41.2	44.2	46.1	47.8	49.0
45 to 54 years	9,404	10,163	10,824	10,865	10,114	4,532	5,034	5,891	6,178	5,960	48.2	49.5	54.4	56.9	58.9
55 to 64 years	7,357	8,040	8,856	9,577	10,200	2,633	3,203	3,833	4,342	4,802	35.8	39.8	43.3	45.3	47.1
65 years and over	8,449	9,465	10,338	11,306	12,416	870	879	994	1,102	1,227	10.3	9.3	9.6	9.7	9.9
NONWHITE															
Both sexes															
16 years and over	12,538	13,779	15,319	17,215	19,334	7,894	8,551	9,560	10,746	12,072	63.0	62.1	62.4	62.4	62.4
Male															
16 years and over	6,011	6,569	7,269	8,160	9,170	4,814	5,084	5,695	6,409	7,241	80.1	77.4	78.3	78.5	79.0
16 to 19 years	635	841	1,004	1,148	1,275	361	435	552	631	702	56.8	51.7	55.0	55.0	55.1
20 to 24 years	648	810	1,022	1,239	1,396	569	702	874	1,053	1,189	87.8	86.7	85.5	85.0	85.2
25 to 34 years	1,255	1,258	1,466	1,837	2,285	1,163	1,150	1,351	1,697	2,116	92.7	91.4	92.2	92.4	92.6
35 to 44 years	1,203	1,239	1,192	1,225	1,414	1,108	1,126	1,109	1,142	1,321	92.1	90.9	93.0	93.2	93.4
45 to 54 years	982	1,031	1,095	1,127	1,095	878	923	999	1,037	1,014	89.4	89.5	91.2	92.0	92.6
55 to 64 years	690	749	794	837	894	553	575	639	679	730	80.1	76.8	80.5	81.1	81.7
65 years and over	598	641	696	747	811	182	173	171	170	169	30.4	27.0	24.6	22.8	20.8
Female															
16 years and over	6,527	7,212	8,050	9,055	10,164	3,080	3,467	3,865	4,337	4,831	47.2	48.1	48.0	47.9	47.5
16 to 19 years	645	843	1,031	1,176	1,298	208	247	357	434	494	32.2	29.3	34.6	36.9	38.1
20 to 24 years	705	832	1,081	1,313	1,480	343	455	572	691	776	48.7	54.7	52.9	52.6	52.4
25 to 34 years	1,433	1,418	1,549	1,918	2,397	708	762	810	976	1,192	49.4	53.7	52.3	50.9	49.7
35 to 44 years	1,331	1,423	1,409	1,395	1,522	788	844	811	803	876	59.2	59.3	57.6	57.6	57.6
45 to 54 years	1,034	1,141	1,247	1,330	1,323	618	680	784	846	845	59.8	59.6	62.9	63.6	63.9
55 to 64 years	713	795	885	981	1,079	331	383	434	484	535	46.4	48.2	49.0	49.3	49.6
65 years and over	666	760	848	942	1,065	84	96	97	103	113	12.6	12.6	11.4	10.9	10.6

SOURCE: Population data from the U.S. Department of Commerce, Bureau of the Census, including unpublished projections by color which are consistent with the projections for the total population published in Current Population Reports, Series P–25, No. 286, Series B. All other data from the U.S. Department of Labor, Bureau of Labor Statistics.

Table E–5. Changes in the Total Labor Force, by Color, Sex, and Age, 1960 to 1980

[Numbers in thousands]

Color, sex, and age	Actual		Projected			Number change				Percent change			
	1960	1965	1970	1975	1980	1960–65	1965–70	1970–75	1975–80	1960–65	1965–70	1970–75	1975–80
TOTAL													
16 years and over	72,104	77,177	84,617	92,183	99,942	5,073	7,440	7,566	7,759	7.0	9.6	8.9	8.4
WHITE													
Both sexes													
16 years and over	64,210	68,627	75,055	81,436	87,872	4,417	6,428	6,381	6,436	6.9	9.4	8.5	7.9
16 to 24 years	11,239	13,814	16,566	18,252	19,394	2,575	2,752	1,686	1,142	22.9	19.9	10.2	6.3
25 to 44 years	28,111	28,337	29,360	32,757	37,902	226	1,023	3,397	5,145	.8	3.6	11.6	15.7
45 years and over	24,860	26,475	29,129	30,427	30,576	1,615	2,654	1,298	149	6.5	10.0	4.5	.5
45 to 64 years	21,747	23,638	26,198	27,408	27,422	1,891	2,560	1,210	14	8.7	10.8	4.6	.1
65 years and over	3,113	2,837	2,931	3,019	3,154	−276	94	88	135	−8.9	3.3	3.0	4.5
Male													
16 years and over	44,119	45,862	49,263	52,946	56,822	1,743	3,401	3,683	3,876	4.0	7.4	7.5	7.3
16 to 24 years	7,171	8,621	10,320	11,311	11,998	1,450	1,699	991	687	20.2	19.7	9.6	6.1
25 to 44 years	20,123	19,882	20,532	22,830	26,237	−241	650	2,298	3,407	−1.2	3.3	11.2	14.9
45 years and over	16,825	17,359	18,411	18,805	18,587	534	1,052	394	−218	3.2	6.1	2.1	−1.2
45 to 64 years	14,582	15,401	16,474	16,888	16,660	819	1,073	414	−228	5.6	7.0	2.5	−1.4
65 years and over	2,243	1,958	1,937	1,917	1,927	−285	−21	−20	10	−12.7	−1.1	−1.0	.5
Female													
16 years and over	20,091	22,765	25,792	28,490	31,050	2,674	3,027	2,698	2,560	13.3	13.3	10.5	9.0
16 to 24 years	4,068	5,193	6,246	6,941	7,396	1,125	1,053	695	455	27.7	20.3	11.1	6.6
25 to 44 years	7,988	8,455	8,828	9,927	11,665	467	373	1,099	1,738	5.8	4.4	12.4	17.5
45 years and over	8,035	9,116	10,718	11,622	11,989	1,081	1,602	904	367	13.5	17.6	8.4	3.2
45 to 64 years	7,165	8,237	9,724	10,520	10,762	1,072	1,487	796	242	15.0	18.1	8.2	2.3
65 years and over	870	879	994	1,102	1,227	9	115	108	125	1.0	13.1	10.9	11.3
NONWHITE													
Both sexes													
16 years and over	7,894	8,551	9,560	10,746	12,072	657	1,009	1,186	1,326	8.3	11.8	12.4	12.3
16 to 24 years	1,481	1,839	2,335	2,809	3,161	358	516	454	352	24.2	28.1	19.3	12.5
25 to 44 years	3,767	3,882	4,081	4,618	5,505	115	199	537	887	3.1	5.1	13.2	19.2
45 years and over	2,646	2,830	3,124	3,319	3,406	184	294	195	87	7.0	10.4	6.2	2.6
45 to 64 years	2,380	2,561	2,856	3,046	3,124	181	295	190	78	7.6	11.5	6.7	2.6
65 years and over	266	269	268	273	282	3	−1	5	9	1.1	−.4	1.9	3.3
Male													
16 years and over	4,814	5,084	5,695	6,409	7,241	270	611	714	832	5.6	12.0	12.5	13.0
16 to 24 years	930	1,137	1,426	1,684	1,891	207	289	258	207	22.3	25.4	18.1	12.3
25 to 44 years	2,271	2,276	2,460	2,839	3,437	5	184	379	598	.2	8.1	15.4	21.1
45 years and over	1,613	1,671	1,809	1,886	1,913	58	138	77	27	3.6	8.3	4.3	1.4
45 to 64 years	1,431	1,498	1,638	1,716	1,744	67	140	78	28	4.7	9.3	4.8	1.6
65 years and over	182	173	171	170	169	−9	−2	−1	−1	−4.9	−1.2	−.6	−.6
Female													
16 years and over	3,080	3,467	3,865	4,337	4,831	387	398	472	494	12.6	11.5	12.2	11.4
16 to 24 years	551	702	929	1,125	1,270	151	227	196	145	27.4	32.3	21.1	12.9
25 to 44 years	1,496	1,606	1,621	1,779	2,068	110	15	158	289	7.4	.9	9.7	16.2
45 years and over	1,033	1,159	1,315	1,433	1,493	126	156	118	60	12.2	13.5	9.0	4.2
45 to 64 years	949	1,063	1,218	1,330	1,380	114	155	112	50	12.0	14.6	9.2	3.8
65 years and over	84	96	97	103	113	12	1	6	10	14.3	1.0	6.2	9.7

Table E–6. Percent Distribution of the Total Labor Force, by Color, Sex, and Age, 1960 to 1980

[Numbers in thousands]

Sex and age	1960			1965			1970			1975			1980		
	Total	White	Non-white	Total	White	Non-white	Total	White	Non-white	Total	White	Non-white	Total	White	Non-white
BOTH SEXES															
16 years and over															
Number	72,104	64,210	7,894	77,177	68,627	8,551	84,617	75,055	9,560	92,183	81,436	10,746	99,942	87,872	12,072
Percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
16 to 24 years	17.6	17.5	18.8	20.3	20.1	21.5	22.4	22.1	24.6	22.8	22.4	26.1	22.6	22.1	26.2
25 to 44 years	44.2	43.8	47.7	41.7	41.3	45.4	39.5	39.1	42.7	40.5	40.2	43.0	43.4	43.1	45.6
45 to 64 years	33.5	33.9	30.1	33.9	34.4	29.9	34.3	34.9	29.9	33.0	33.7	28.3	30.6	31.2	25.9
65 years and over	4.7	4.8	3.4	4.0	4.1	3.1	3.8	3.9	2.8	3.6	3.7	2.5	3.4	3.6	2.3
MALE															
16 years and over															
Number	48,933	44,119	4,814	50,946	45,862	5,084	54,958	49,263	5,695	59,355	52,946	6,409	64,063	56,822	7,241
Percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
16 to 24 years	16.6	16.3	19.3	19.2	18.8	22.4	21.4	20.9	25.0	21.9	21.4	26.3	21.7	21.1	26.1
25 to 44 years	45.8	45.6	47.2	43.5	43.4	44.8	41.8	41.7	43.2	43.2	43.1	44.3	46.3	46.2	47.5
45 to 64 years	32.7	33.1	29.7	33.2	33.6	29.5	33.0	33.4	28.8	31.3	31.9	26.8	28.7	29.3	24.1
65 years and over	5.0	5.1	3.8	4.2	4.3	3.4	3.8	3.9	3.0	3.5	3.6	2.7	3.3	3.4	2.3
FEMALE															
16 years and over															
Number	23,171	20,091	3,080	26,232	22,765	3,467	29,657	25,792	3,865	32,827	28,490	4,337	35,881	31,050	4,831
Percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
16 to 24 years	19.9	20.2	17.9	22.5	22.8	20.2	24.2	24.2	24.0	24.6	24.4	25.9	24.2	23.8	26.3
25 to 44 years	40.9	39.8	48.6	38.4	37.1	46.3	35.2	34.2	41.9	35.7	34.8	41.0	38.3	37.6	42.8
45 to 64 years	35.0	35.7	30.8	35.5	36.2	30.7	36.9	37.7	31.5	36.1	36.9	30.7	33.8	34.7	28.6
65 years and over	4.1	4.3	2.7	3.7	3.9	2.8	3.7	3.9	2.5	3.7	3.9	2.4	3.7	4.0	2.3

Table E–7. Total Population, Total Labor Force, and Labor Force Participation Rates for Persons 16 Years and Over, by Region and State, 1960 to 1980

[Numbers in thousands]

Region and State	Total population [1]			Total labor force [1]			Labor force participation rates (percent)			Percent change [2]			
	Actual	Projected		Actual	Projected		Actual	Projected		Population		Labor force	
	1960 (April 1)	1970 (July 1)	1980 (July 1)	1960 (April 1)	1970 (annual average)	1980 (annual average)	1960	1970	1980	1960–70	1970–80	1960–70	1970–80
United States	120,735	140,966	164,726	69,237	83,875	99,204	57.4	59.5	60.2	16.8	16.9	21.1	18.3
Northeast	31,289	35,235	39,747	18,144	20,852	23,488	58.0	59.2	59.1	12.6	12.8	14.9	12.6
North Central	34,636	38,571	44,377	19,829	22,981	26,918	57.2	59.6	60.7	11.4	15.1	15.9	17.1
South	36,062	43,002	50,500	20,217	25,161	30,080	56.1	58.5	59.6	19.2	17.4	24.5	19.6
West	18,744	24,157	30,099	11,046	14,873	18,721	58.9	61.6	62.2	28.9	24.6	34.6	25.9
New England	7,277	8,197	9,386	4,296	4,971	5,691	59.0	60.6	60.6	12.6	14.5	15.7	14.5
Maine	652	707	791	366	406	460	56.1	57.4	58.2	8.4	11.9	10.9	13.3
New Hampshire	415	486	569	249	303	359	60.0	62.3	63.1	17.1	17.1	21.7	18.5
Vermont	261	297	340	147	177	207	56.3	59.6	60.9	13.8	14.5	20.4	16.9
Massachusetts	3,594	3,948	4,478	2,112	2,398	2,726	58.8	60.7	60.9	9.8	13.4	13.5	13.7
Rhode Island	604	664	726	358	391	422	59.3	58.9	58.1	9.9	9.3	9.2	7.9
Connecticut	1,751	2,095	2,482	1,064	1,296	1,517	60.8	61.9	61.1	19.6	18.5	21.8	17.1
Middle Atlantic	24,012	27,038	30,361	13,848	15,881	17,797	57.7	58.7	58.6	12.6	12.3	14.7	12.1
New York	11,921	13,528	15,117	6,963	8,011	8,876	58.4	59.2	58.7	13.5	11.7	15.0	10.8
New Jersey	4,233	5,087	5,990	2,496	3,024	3,539	59.0	59.4	59.1	20.2	17.8	21.2	17.0
Pennsylvania	7,858	8,423	9,254	4,389	4,846	5,382	55.9	57.5	58.2	7.2	9.9	10.4	11.1
East North Central	24,282	27,390	31,837	13,995	16,354	19,298	57.6	59.7	60.6	12.8	16.2	16.9	18.0
Ohio	6,490	7,422	8,682	3,692	4,394	5,203	56.9	59.2	59.9	14.4	17.0	19.0	18.4
Indiana	3,108	3,497	4,056	1,783	2,117	2,526	57.4	60.5	62.3	12.5	16.0	18.7	19.3
Illinois	6,939	7,699	8,896	4,094	4,642	5,406	59.0	60.3	60.8	11.0	15.5	13.4	16.5
Michigan	5,122	5,823	6,761	2,9 3	3,416	4,038	56.9	58.7	59.7	13.7	16.1	17.3	18.2
Wisconsin	2,623	2,949	3,442	1,513	1,785	2,125	57.7	60.5	61.7	12.4	16.7	18.0	19.0
West North Central	10,354	11,181	12,540	5,834	6,627	7,620	56.3	59.3	60.8	8.0	12.2	13.6	15.0
Minnesota	2,238	2,506	2,943	1,283	1,508	1,801	57.3	60.2	61.2	12.0	17.4	17.5	19.4
Iowa	1,857	1,942	2,140	1,037	1,162	1,323	55.8	59.8	61.8	4.6	10.2	12.1	13.9
Missouri	2,991	3,178	3,543	1,659	1,810	2,055	55.5	57.0	58.0	6.3	11.5	9.1	13.5
North Dakota	403	440	490	226	261	297	56.1	59.3	60.6	9.2	11.4	15.5	13.8
South Dakota	440	492	543	248	292	331	56.4	59.3	61.0	11.8	10.4	17.7	13.4
Nebraska	952	1,044	1,145	546	635	718	57.4	60.8	62.7	9.7	9.7	16.3	13.1
Kansas	1,473	1,579	1,736	835	959	1,095	56.7	60.7	63.1	7.2	9.9	14.8	14.2
South Atlantic	17,162	20,939	25,017	9,880	12,476	14,979	57.6	59.6	59.9	22.0	19.5	26.3	20.1
Delaware	296	365	450	177	221	272	59.8	60.5	60.4	23.3	23.3	24.9	23.1
Maryland	2,060	2,571	3,121	1,234	1,575	1,900	59.9	61.3	60.9	24.8	21.4	27.6	20.6
District of Columbia	562	611	713	368	399	470	65.5	65.3	65.9	8.7	16.7	8.4	17.8
Virginia	2,623	3,180	3,732	1,522	1,900	2,248	58.0	59.7	60.2	21.2	17.4	24.8	18.3
West Virginia	1,227	1,251	1,319	584	661	722	47.6	52.8	54.7	2.0	5.4	13.2	9.2
North Carolina	2,951	3,459	3,963	1,739	2,112	2,410	58.9	61.1	60.8	17.2	14.6	21.4	14.1
South Carolina	1,485	1,766	2,043	884	1,086	1,246	59.5	61.5	61.0	18.9	15.7	22.9	14.7
Georgia	2,548	3,073	3,576	1,500	1,890	2,192	58.9	61.5	61.3	20.6	16.4	26.0	16.0
Florida	3,410	4,663	6,100	1,872	2,632	3,519	54.9	56.4	57.7	36.7	30.8	40.6	33.7
East South Central	7,830	8,965	10,178	4,205	5,101	5,972	53.7	56.9	58.7	14.5	13.5	21.3	17.1
Kentucky	2,005	2,216	2,453	1,026	1,200	1,394	51.2	54.2	56.8	10.5	10.7	17.0	16.2
Tennessee	2,376	2,757	3,109	1,304	1,594	1,836	54.9	57.8	59.1	16.0	12.8	22.2	15.2
Alabama	2,096	2,413	2,802	1,142	1,392	1,659	54.5	57.7	59.2	15.1	16.1	21.9	19.2
Mississippi	1,353	1,579	1,814	733	915	1,083	54.2	57.9	59.7	16.7	14.9	24.8	18.4
West South Central	11,070	13,098	15,305	6,132	7,584	9,129	55.4	57.9	59.6	18.3	16.8	23.7	20.4
Arkansas	1,181	1,366	1,520	604	756	880	51.1	55.3	57.9	15.7	11.3	25.2	16.4
Louisiana	2,050	2,465	2,973	1,084	1,355	1,689	52.9	55.0	56.8	20.2	20.6	25.0	24.6
Oklahoma	1,591	1,776	1,949	845	998	1,142	53.1	56.2	58.6	11.6	9.7	18.1	14.4
Texas	6,248	7,491	8,863	3,599	4,475	5,418	57.6	59.7	61.1	19.9	18.3	24.3	21.1
Mountain	4,364	5,679	7,052	2,520	3,491	4,443	57.7	61.5	63.0	30.1	24.2	38.5	27.3
Montana	435	496	573	249	301	353	57.2	60.7	61.6	14.0	15.5	20.9	17.3
Idaho	423	489	577	245	309	377	57.9	63.2	65.3	15.6	18.0	26.1	22.0
Wyoming	214	247	292	128	156	185	59.8	63.2	63.4	15.4	18.2	21.9	18.6
Colorado	1,156	1,473	1,780	670	911	1,137	58.0	61.8	63.9	27.4	20.8	36.0	24.8
New Mexico	573	711	936	324	425	578	56.5	59.8	61.8	24.1	31.6	31.2	36.0
Arizona	827	1,236	1,638	466	727	993	56.3	58.8	60.6	49.5	32.5	56.0	36.6
Utah	542	709	892	312	448	580	57.6	63.2	65.0	30.8	25.8	43.6	29.5
Nevada	194	318	364	126	214	240	64.9	67.3	65.9	63.9	14.5	69.8	12.1
Pacific	14,380	18,478	23,047	8,526	11,372	14,278	59.3	61.5	62.0	28.5	24.7	33.4	25.6
Washington	1,915	2,201	2,577	1,109	1,339	1,596	57.9	60.8	61.9	14.9	17.1	20.7	19.2
Oregon	1,194	1,392	1,588	676	810	931	56.6	58.2	58.6	16.6	14.1	19.8	14.9
California	10,726	14,221	18,094	6,379	8,784	11,251	59.5	65.9	62.2	32.6	27.2	37.7	28.1
Alaska	143	170	213	98	112	133	68.5	65.9	62.4	18.9	25.3	14.3	18.8
Hawaii	402	494	575	264	327	367	65.7	66.2	63.8	22.9	16.4	23.9	12.2

[1] Does not include the Armed Forces abroad.

[2] Changes for 1960–70 are not strictly comparable with those for 1970–80 because the 1960 data relate to the decennial census date of April 1, the population projections relate to July 1, and the labor force projections are annual averages based on the Current Population Survey.

SOURCE: Population projections are from the U.S. Department of Commerce, Bureau of the Census, and are consistent with the projections in Current Population Reports, Series P-25, Nos. 286 and 326, Series II-B. All other data are from the U.S. Department of Labor, Bureau of Labor Statistics.

Table E–8. Actual and Projected Employment for Persons 16 Years and Over, by Occupation Group, 1960 to 1975

Occupation group	Actual				Projected [1]		Number change (millions) [2]		Percent change [2]	
	1960		1965		1975					
	Number (thousands)	Percent distribution	Number (thousands)	Percent distribution	Number (millions)	Percent distribution [3]	1960–65	1965–75	1960–65	1965–75
Total employment [3]	65,777	100.0	71,088	100.0	87.2	100.0	5.3	16.1	8.1	22.7
Professional and technical workers	7,474	11.4	8,883	12.5	12.9	14.8	1.4	4.0	18.9	45.2
Managers, officials, and proprietors	7,067	10.7	7,340	10.3	9.0	10.4	.3	1.7	3.9	23.3
Clerical workers	9,759	14.8	11,129	15.7	14.8	16.9	1.4	3.6	14.0	32.5
Sales workers	4,216	6.4	4,497	6.3	5.6	6.4	.3	1.1	6.7	25.0
Craftsmen and foremen	8,560	13.0	9,222	13.0	11.4	13.0	.7	2.1	7.7	23.1
Operatives	11,950	18.2	13,336	18.8	14.7	16.9	1.4	1.4	11.6	10.5
Service workers	8,031	12.2	8,936	12.6	12.0	13.8	.9	3.1	11.3	34.4
Nonfarm laborers	3,557	5.4	3,688	5.2	3.6	4.1	.1	−.1	3.7	[4] −2.4
Farmers and farm laborers	5,163	7.8	4,057	5.7	3.2	3.6	−1.1	−.9	−21.4	−21.6

[1] These projections of civilian employment assume 3 percent unemployment whereas the projections of total labor force shown in the preceding tables are consistent with 4 percent unemployment. The lower unemployment assumption implies a slightly larger labor force; e.g., the total labor force in 1975 at 3 percent unemployment would be about 92.6 million as compared with 92.2 million at 4 percent unemployment.

[2] Based on data in thousands.

[3] Represents total employment as covered by the Current Population Survey.

[4] Employment is projected at about the level of the past decade; however, because 1965 employment was unusually high, reflecting a sharp increase in manufacturing, the projected percent change from 1965 indicates an apparent decline.

Table E–9. Actual and Projected Employment by Industry Division, 1960 to 1975

[Numbers in thousands]

Industry division	Actual				Projected [1]		Number change		Percent change	
	1960		1965		1975					
	Number	Percent distribution	Number	Percent distribution	Number	Percent distribution	1960–65	1965–75	1960–65	1965–75
Agriculture [2]	5,723	----	4,585	----	3,745	----	−1,138	−840	−19.9	−18.3
Total nonagricultural wage and salary workers [3]	54,234	100.0	60,832	100.0	76,040	100.0	6,598	15,208	12.2	25.0
Goods-producing industries	20,393	37.6	21,880	36.0	24,530	32.3	1,487	2,650	7.3	12.1
Mining	712	1.3	632	1.0	620	.8	−80	−12	−11.2	−1.9
Contract construction	2,885	5.3	3,186	5.2	4,190	5.5	301	1,004	10.4	31.5
Manufacturing	16,796	31.0	18,062	29.7	19,720	25.9	1,266	1,658	7.5	9.2
Durable goods	9,459	17.4	10,406	17.1	11,480	15.1	947	1,074	10.0	10.3
Nondurable goods	7,336	13.5	7,656	12.6	8,240	10.8	320	584	4.4	7.6
Service-producing industries	33,840	62.4	38,953	64.0	51,510	67.7	5,113	12,557	15.1	32.2
Transportation and public utilities	4,004	7.4	4,036	6.6	4,580	6.0	32	544	.8	13.5
Transportation	2,549	4.7	2,532	4.2	2,935	3.9	−17	403	−.7	15.9
Communication	840	1.5	881	1.4	1,020	1.3	41	139	4.9	15.8
Electric, gas, and sanitary services	615	1.1	623	1.0	625	.8	8	2	1.3	.3
Wholesale and retail trade	11,391	21.0	12,716	20.9	16,115	21.2	1,325	3,399	11.6	26.7
Wholesale	3,004	5.5	3,312	5.4	4,135	5.4	308	823	10.3	24.8
Retail	8,388	15.5	9,404	15.5	11,980	15.8	1,016	2,576	12.1	27.4
Finance, insurance, and real estate	2,669	4.9	3,023	5.0	3,725	4.9	354	702	13.3	23.2
Service and miscellaneous	7,423	13.7	9,087	14.9	12,945	17.0	1,664	3,858	22.4	42.5
Government	8,353	15.4	10,091	16.6	14,145	18.6	1,738	4,054	20.8	40.2
Federal [4]	2,270	4.2	2,378	3.9	2,745	3.6	108	367	4.8	15.4
State and local	6,083	11.2	7,714	12.7	11,400	15.0	1,631	3,686	26.8	47.8

[1] Revised 1968. See also footnote 1, table E–8.

[2] Represents total employment for persons 14 years and over as covered by the Current Population Survey prior to the change in age limit introduced in 1967; includes wage and salary workers, the self-employed, and unpaid family workers.

[3] Represents wage and salary employment as covered by the monthly establishment survey; excludes the self-employed, unpaid family workers, and domestic workers in households. (These data are not affected by the change in the lower age limit introduced into the Current Population Survey in 1967.)

[4] Data relate to civilian employment only, excluding the Central Intelligence and National Security Agencies.

Table E–10. Revised Projected Educational Attainment of the Civilian Labor Force 25 Years and Over, by Sex and Age, 1975

[Numbers in thousands]

Sex and years of school completed	Total, 25 years and over	25 to 34 years	35 to 44 years	45 to 54 years	55 to 64 years	65 years and over
BOTH SEXES						
Total: Number	69,857	20,325	15,879	17,745	12,616	3,292
Percent	100.0	100.0	100.0	100.0	100.0	100.0
Less than 4 years high school	34.0	21.3	31.2	38.1	47.1	52.3
4 years high school or more	66.0	78.7	68.8	61.9	52.9	47.7
Elementary: Less than 5 years [1]	2.3	1.0	1.8	2.8	3.7	5.8
5 to 7 years	5.4	2.1	4.6	6.4	8.9	11.5
8 years	8.3	3.3	6.3	9.2	14.8	18.1
High school: 1 to 3 years	17.9	15.0	18.4	19.8	19.8	16.9
4 years	39.5	45.7	41.6	38.3	32.9	23.2
College: 1 to 3 years	11.1	13.3	11.1	10.1	9.2	10.2
4 years or more	15.4	19.7	16.1	13.4	10.8	14.3
Median years of school completed	12.4	12.6	12.5	12.3	12.1	11.6
MALE						
Total: Number	45,109	14,208	10,301	10,723	7,790	2,087
Percent	100.0	100.0	100.0	100.0	100.0	100.0
Less than 4 years high school	35.2	21.9	31.5	41.0	50.7	55.6
4 years high school or more	64.8	78.1	68.5	59.0	49.3	44.4
Elementary: Less than 5 years [1]	2.8	1.2	2.3	3.4	4.8	6.2
5 to 7 years	5.9	2.3	5.0	7.3	9.8	12.6
8 years	8.8	3.5	6.5	10.5	16.0	19.9
High school: 1 to 3 years	17.7	15.0	17.7	19.8	20.1	16.9
4 years	36.7	44.7	38.4	32.9	29.4	20.3
College: 1 to 3 years	11.3	13.6	11.5	10.1	9.1	9.7
4 years or more	16.8	19.8	18.6	16.0	10.8	14.4
Median years of school completed	12.4	12.6	12.5	12.3	11.9	11.0
FEMALE						
Total: Number	24,748	6,117	5,578	7,022	4,826	1,205
Percent	100.0	100.0	100.0	100.0	100.0	100.0
Less than 4 years high school	31.7	20.0	30.6	33.8	41.3	46.5
4 years high school or more	68.3	80.0	69.4	66.2	58.7	53.5
Elementary: Less than 5 years [1]	1.5	0.5	1.0	1.8	1.8	5.1
5 to 7 years	4.6	1.7	3.9	5.0	7.4	9.6
8 years	7.3	2.9	6.0	7.2	12.8	15.0
High school: 1 to 3 years	18.3	14.9	19.7	19.7	19.3	16.8
4 years	44.7	48.0	47.5	46.6	38.5	28.3
College: 1 to 3 years	10.7	12.6	10.4	10.2	9.4	11.0
4 years or more	12.9	19.5	11.5	9.5	10.8	14.2
Median years of school completed	12.4	12.6	12.4	12.3	12.2	12.1

[1] Includes persons with no formal education.

SOURCE: Prepared by the U.S. Department of Labor, Bureau of Labor Statistics, consistent with projections of the educational attainment of the population published by the U.S. Department of Commerce, Bureau of the Census in Current Population Reports, Series P-25, No. 390. These projections are based upon the educational attainment of the population and labor force as reported in the monthly Current Population Survey.

Table E–11. Estimated Public and Private Expenditures for Coping With Poverty, 1965 and 1975 [1]

[Billions of 1965 dollars]

Program	1965 [2]	Projected 1975	Percent change, 1965–75 [3]
Total	$28.8	$74.6	159
Social welfare	17.2	36.0	110
OASDHI	4.7	12.9	178
Public assistance [4]	5.0	10.3	106
Private social service	.5	2.0	335
Private pensions	.8	1.9	146
All other	6.2	8.9	41
Health	6.4	19.7	206
Hospital and medical insurance	1.5	2.5	70
Public assistance medical payments	1.5	5.8	289
Private health insurance benefits	1.8	6.9	291
All other	1.6	4.5	206
Education	$2.2	$7.5	244
Aid for educationally deprived children	1.0	4.0	317
Vocational education	.5	.9	84
Head Start	.2	.8	285
All other	.5	1.8	248
Work experience and job training	1.0	5.2	407
Assistance to low-income farmers	.5	1.3	153
Urban development	.4	1.8	347
Housing	.4	1.2	216
Area redevelopment	.3	.5	99
Community action-type programs [5]	.5	1.5	193

[1] The projections shown are predicated on reduced international tensions. The public share of expenditures is estimated at 85 percent of the total for 1965 and 82 percent for 1975, the private share at 15 and 18 percent, respectively.

[2] Also includes programs which became operational during 1966 and 1967. Expenditure data were used where available, otherwise obligations.

[3] Based on unrounded dollars.

[4] A family allowance program providing minimum income level support is expected to replace the existing public assistance programs by 1975.

[5] Includes the Community Action Program and Volunteers in Service to America.

SOURCE: "Manpower Implications of Alternative Priorities for Coping with Poverty" (Washington: National Planning Association, for the U.S. Department of Labor, Manpower Administration, in process).

Table E–12. Estimated Civilian Employment Generated by Public and Private Expenditures for Coping With Poverty, by Major Occupation Group and Selected Occupations, 1965 and 1975 [1]

Occupation	Employment generated (thousands)		Percent change, 1965–75	Percent of total employment	
	1965	Projected 1975		1965	Projected 1975
Total	2,877	6,067	111	4.0	6.8
White-collar occupations	1,448	3,215	122	4.5	7.6
Professional and technical workers	537	1,282	139	6.0	10.1
Dentists	7	16	129	8.5	13.1
Engineers	33	78	136	3.1	5.1
Nurses, professional	52	113	117	8.1	12.9
Physicians and surgeons	19	67	253	7.5	19.3
Social, welfare, and recreation workers	165	285	73	69.3	75.6
Teachers, elementary	46	127	176	4.1	9.7
Teachers, secondary	34	95	179	4.5	10.7
Technicians, medical and dental	13	43	231	6.3	14.6
Managers, officials, and proprietors, except farm	302	603	100	4.1	6.4
Clerical workers	441	1,013	130	4.0	6.8
Secretaries, stenographers, and typists	122	300	146	4.2	7.7
Sales workers	168	317	89	3.5	5.9
Blue-collar occupations	884	1,669	89	3.3	5.7
Craftsmen and foremen	312	616	97	3.4	5.7
Machinists and jobsetters	12	18	50	2.4	3.4
Toolmakers, diemakers, and setters	3	7	133	1.6	3.1
Operatives	454	812	79	3.4	5.6
Nonfarm laborers	118	241	104	3.1	5.6
Service workers, including private household	335	852	154	3.5	6.5
Attendants, hospital and other institutions	44	139	216	7.3	12.8
Practical nurses	21	56	167	7.4	12.0
Farm occupations	210	331	58	4.9	9.2

[1] The projections shown are predicated on reduced international tensions.

SOURCE: "Manpower Implications of Alternative Priorities for Coping with Poverty" (Washington: National Planning Association, for the U.S Department of Labor, Manpower Administration, in process).

Table F–1. Enrollment Opportunities and Federal Obligations for Training Programs, by Type of Program, Fiscal Years 1963–68

[Thousands]

Item	Total	FY 1968	FY 1967	FY 1966	FY 1965	FY 1964	FY 1963
TOTAL							
Enrollment opportunities	3,274.5	870.4	866.7	842.2	510.2	125.8	59.2
Federal obligations	$2,823,019	$785,007	$797,143	$628,441	$414,247	$142,111	$56,070
MDTA INSTITUTIONAL TRAINING							
Enrollment opportunities	739.5	114.0	126.0	163.0	167.1	112.5	56.9
Federal obligations	$1,153,880	$216,586	$215,492	$281,710	$249,348	$135,525	$55,219
MDTA ON-THE-JOB TRAINING							
Enrollment opportunities	455.9	104.6	152.9	118.1	64.7	13.3	2.3
Federal obligations	$299,287	$89,837	$106,917	$57,939	$37,157	$6,586	$851
MDTA PART-TIME AND OTHER TRAINING							
Enrollment opportunities	8.7	8.3	.4				
Federal obligations	$5,597	$5,501	$96				
NEIGHBORHOOD YOUTH CORPS							
Enrollment opportunities	1,856.5	537.7	512.7	527.7	278.4		
In school	565.0	135.0	139.0	188.8	102.2		
Out of school	302.3	62.7	79.3	98.6	61.7		
Summer	988.2	339.1	294.3	240.3	114.5		
Work Training in Industry	1.1	.9	.2				
Federal obligations	$1,021,775	$281,863	$348,833	$263,337	$127,742		
In school	(1)	58,908	67,448	(1)	(1)		
Out of school	(1)	95,889	147,826	(1)	(1)		
Summer	(1)	126,677	133,306	(1)	(1)		
Work Training in Industry	(1)	390	253	(1)	(1)		
CONCENTRATED EMPLOYMENT PROGRAM							
Enrollment opportunities	159.6	67.9	58.3	33.4			
Federal obligations	$194,802	$89,743	$79,604	$25,455			
OPERATION MAINSTREAM							
Enrollment opportunities	18.9	10.9	8.0				
Federal obligations	$45,947	$22,319	$23,628				
NEW CAREERS							
Enrollment opportunities	7.1	2.7	4.4				
Federal obligations	$23,130	$7,557	$15,573				
SPECIAL IMPACT							
Enrollment opportunities	8.3	4.3	4.0				
Federal obligations	$18,500	$11,500	$7,000				
JOBS—EOA FUNDS [2]							
Enrollment opportunities	20.0	20.0					
Federal obligations	$60,101	$60,101					

[1] Not available.

[2] The total JOBS Program through June 30, 1968, amounted to 41,880 enrollment opportunities and $114,178,000, including activities reported in other totals shown above: Special Impact—fiscal 1968, 3,050 enrollment opportunities, $9,462,000; MDTA–OJT—fiscal 1968, 9,533 enrollment opportunities, $20,357,000; and fiscal 1967, 9,311 enrollment opportunities, $24,258,000.

Table F–2. Enrollments, Completions, and Posttraining Employment for Institutional and On-the-Job Training Programs Under the MDTA, Fiscal Years 1963–68

[Thousands]

Item	Total	FY 1968	FY 1967	FY 1966	FY 1965	FY 1964	FY 1963 [1]
TOTAL							
Enrollments	1,034.4	265.0	265.0	235.8	156.9	77.6	34.1
Completions	612.2	145.0	163.5	136.0	96.3	51.3	20.1
Posttraining employment	480.5	114.5	128.0	109.1	73.4	39.4	16.1
INSTITUTIONAL TRAINING							
Enrollments	713.4	140.0	150.0	177.5	145.3	68.6	32.0
Completions	446.0	85.0	109.0	98.0	88.5	46.0	19.2
Posttraining employment	335.4	63.5	80.0	74.9	66.9	34.8	15.3
ON-THE-JOB TRAINING							
Enrollments	321.0	125.0	115.0	58.3	11.6	9.0	2.1
Completions	166.2	60.0	54.5	38.0	7.5	5.3	.9
Posttraining employment	145.1	51.0	48.0	34.2	6.5	4.6	.8

[1] Program became operational August 1962.

NOTE: Completions do not include dropouts. Posttraining employment includes persons employed at the time of the most recent followup. (There are three followups, with the third occurring 1 year after completion of training.)

Table F–3. Characteristics of Trainees Enrolled in Institutional Training Programs Under the MDTA, Fiscal Years 1963–68

[Percent distribution]

Characteristic	Total	Fiscal year of enrollment					
		1968	1967	1966	1965	1964	1963 [1]
Total: Number (thousands)	713.4	140.0	150.0	177.5	145.3	68.6	32.0
Percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Sex:							
Male	58.4	55.4	56.8	58.3	60.9	59.7	63.8
Female	41.6	44.6	43.2	41.7	39.1	40.3	36.2
Age:							
Under 19 years	15.3	14.8	16.4	15.9	18.3	10.6	6.3
19 to 21 years	23.3	23.5	23.6	22.2	24.3	24.7	19.1
22 to 34 years	35.0	35.5	34.3	35.3	32.4	36.4	43.9
35 to 44 years	15.6	15.2	14.7	15.6	14.9	17.5	20.3
45 years and over	10.8	11.0	11.0	11.0	10.1	10.8	10.4
Race:							
White	62.2	51.1	59.1	62.5	67.7	69.9	76.5
Negro	35.2	45.2	38.0	35.2	30.1	28.3	21.4
Other nonwhite	2.6	3.7	2.9	2.3	2.2	1.8	2.1
Family status:							
Head of family or household	53.8	54.7	53.6	53.5	51.8	53.3	62.1
Other	46.2	45.3	46.4	46.5	48.2	46.7	37.9
Years of school completed:							
Under 8 years	7.4	9.3	7.5	6.7	8.1	5.7	3.1
8 years	9.8	10.0	10.7	9.6	10.2	8.4	7.6
9 to 11 years	36.4	40.4	38.9	35.7	34.1	33.3	30.0
12 years	40.5	34.7	38.0	42.0	41.8	45.2	50.4
Over 12 years	5.9	5.6	4.9	6.0	5.8	7.4	8.9
Years of gainful employment:							
Under 3 years	40.3	45.1	43.1	39.1	42.8	32.5	22.7
3 to 9 years	35.9	32.9	34.4	37.0	33.7	41.3	45.6
10 years or more	23.8	22.0	22.5	23.9	23.5	26.2	31.7
Number of dependents:							
0	46.7	48.3	49.3	47.5	44.6	44.6	37.3
1 person	15.2	14.5	14.4	15.4	15.1	16.8	18.2
2 persons	13.1	12.4	12.1	12.5	14.1	14.4	16.8
3 persons	9.7	9.3	8.8	9.4	10.4	10.2	12.4
4 persons	6.2	6.0	6.0	6.2	6.4	6.2	7.3
5 persons and over	9.1	9.5	9.4	9.0	9.4	7.8	8.0
Wage earner status:							
Primary	65.0	72.2	68.7	65.5	56.5	59.3	68.0
Other	35.0	27.8	31.3	34.5	43.5	40.7	32.0
Eligible for allowance:							
Yes	74.9	82.3	82.0	78.6	67.3	57.7	66.9
No	25.1	17.7	18.0	21.4	32.7	42.3	33.1
Unemployment insurance claimant:							
Yes	14.3	8.9	10.0	13.2	16.5	23.0	31.5
No	85.7	91.1	90.0	86.8	83.5	77.0	68.5
Public assistance recipient:							
Yes	11.2	12.5	12.1	11.2	10.5	9.7	8.1
No	88.8	87.5	87.9	88.8	89.5	90.3	91.9
Prior employment status:							
Unemployed	84.0	79.8	80.3	82.8	87.8	90.5	92.1
Family farmworker	1.2	.6	.7	1.0	2.3	1.7	1.2
Reentrant to labor force	2.7	3.1	3.2	3.5	2.6	----	----
Underemployed	12.1	16.5	15.8	12.7	7.3	7.8	6.7
Duration of unemployment:							
Under 5 weeks	32.9	31.0	35.9	35.5	32.9	28.5	24.0
5 to 14 weeks	23.6	24.3	23.6	22.9	23.2	23.6	26.2
15 to 26 weeks	13.8	15.5	13.5	12.6	13.1	14.1	17.6
27 to 52 weeks	10.7	11.4	9.6	10.2	10.6	12.1	13.1
Over 52 weeks	19.0	17.8	17.4	18.8	20.2	21.7	19.1
Prior military service:							
Veteran	22.2	17.8	20.5	25.1	27.6	16.3	22.5
Rejectee	3.9	5.4	5.8	4.6	3.0	.1	.1
Other nonveteran	73.9	76.8	73.7	70.3	69.4	83.6	77.4
Handicapped:							
Yes	8.4	9.3	10.0	8.4	7.4	6.7	7.4
No	91.6	90.7	90.0	91.6	92.6	93.3	92.6

[1] Program became operational August 1962.

Table F–4. Characteristics of Trainees Enrolled in Institutional Training Programs Under the MDTA, by State, Fiscal Year 1968

State	Number of enrollees (thousands)	Percent of total							
		Male	White	Age			Education		
				Under 22 years	22 to 44 years	45 years and over	8 years or less	9 to 11 years	12 years or more
United States	140.0	55.4	51.1	38.3	50.7	11.0	19.3	40.4	40.3
Alabama	2.7	43.9	33.5	29.6	58.1	12.3	15.0	36.3	48.7
Alaska	.6	47.2	50.8	40.2	53.3	6.5	26.3	29.5	44.2
Arizona	1.6	48.0	50.2	29.2	62.4	8.4	27.7	40.7	31.6
Arkansas	1.2	54.8	71.6	26.2	56.5	17.3	20.7	29.2	50.1
California	19.6	65.7	47.1	36.2	51.9	11.9	15.0	44.3	40.7
Colorado	.7	46.0	85.4	32.5	59.3	8.2	12.9	36.4	50.7
Connecticut	3.5	53.6	56.4	42.3	47.7	10.0	29.7	37.9	32.4
Delaware	.3	55.4	34.6	28.8	62.6	8.6	22.6	39.6	37.8
District of Columbia	1.6	30.4	27.0	26.2	58.9	14.9	7.9	28.5	63.6
Florida	2.6	37.3	38.6	39.7	47.6	12.7	17.0	33.3	49.7
Georgia	1.7	39.1	50.8	38.0	52.7	9.3	15.8	38.8	45.4
Guam	.1	24.4	3.0	100.0	----	----	4.9	19.5	75.6
Hawaii	.4	32.4	19.5	46.4	44.8	8.8	7.6	34.5	57.9
Idaho	.2	43.4	96.8	20.8	61.5	17.7	12.1	35.4	52.5
Illinois	9.2	46.5	41.9	43.7	46.9	9.4	16.2	45.1	38.7
Indiana	2.4	50.4	54.6	35.7	54.2	10.1	16.6	43.5	39.9
Iowa	1.6	68.3	80.0	37.2	50.9	11.9	16.7	38.7	44.6
Kansas	1.2	53.5	61.1	32.9	52.9	14.2	18.5	41.5	40.0
Kentucky	1.4	58.9	83.6	50.4	39.7	9.9	24.3	30.4	45.3
Louisiana	3.9	59.8	27.1	46.8	46.5	6.7	26.3	37.4	36.3
Maine	1.9	36.3	98.8	40.4	44.3	15.3	24.4	31.9	43.7
Maryland	3.6	38.8	24.0	37.7	51.7	10.6	22.7	47.2	30.1
Massachusetts	2.8	57.6	77.5	34.8	50.2	15.0	29.9	36.5	33.6
Michigan	4.1	43.6	42.3	32.5	53.6	13.9	13.3	38.0	48.7
Minnesota	2.2	60.5	78.9	40.1	46.4	13.5	13.6	36.3	50.1
Mississippi	3.4	77.6	23.9	29.7	52.4	17.9	50.9	28.4	20.7
Missouri	3.5	50.9	41.4	28.3	60.3	11.4	24.8	47.5	27.7
Montana	.7	69.7	81.8	23.5	58.0	18.5	24.7	28.3	47.0
Nebraska	.7	46.3	80.2	36.9	47.5	15.6	8.9	34.3	56.8
Nevada	.6	45.2	71.6	24.8	61.3	13.9	5.4	25.4	69.2
New Hampshire	.7	58.1	99.3	41.6	43.5	14.9	14.4	30.2	55.4
New Jersey	6.4	59.4	39.9	39.5	49.9	10.6	22.3	46.0	31.7
New Mexico	.7	26.2	85.2	41.8	44.0	14.2	4.3	15.2	80.5
New York	12.7	54.4	46.7	46.8	45.1	8.1	15.1	51.3	33.6
North Carolina	1.7	67.7	40.2	45.0	44.6	10.4	25.0	32.2	42.8
North Dakota	.4	53.6	96.2	33.5	44.1	22.4	22.2	25.6	52.2
Ohio	6.6	56.9	54.5	53.5	40.1	6.4	12.3	42.4	45.3
Oklahoma	1.6	70.3	64.6	27.9	62.3	9.8	15.6	47.4	37.0
Oregon	1.4	45.3	85.4	30.2	52.0	17.8	10.9	31.4	57.7
Pennsylvania	6.4	66.6	54.2	38.4	51.3	10.3	9.1	36.9	54.0
Puerto Rico	1.0	69.0	78.3	35.8	62.3	1.9	8.0	34.5	57.5
Rhode Island	.6	60.5	79.9	44.8	46.2	9.0	35.9	33.3	30.8
South Carolina	1.4	42.6	33.3	39.4	55.3	5.3	20.6	38.4	41.0
South Dakota	.5	46.6	87.1	40.6	46.9	12.5	14.8	32.8	52.4
Tennessee	1.9	62.5	59.2	46.7	48.1	5.2	19.7	24.6	55.7
Texas	7.3	46.9	46.9	26.9	61.3	11.8	32.5	39.2	28.3
Utah	.4	32.4	96.0	24.0	59.1	16.9	8.3	30.6	61.1
Vermont	.3	60.7	100.0	31.7	51.8	16.5	33.1	26.7	40.2
Virginia	1.3	56.8	70.6	44.6	47.4	8.0	25.5	26.7	47.8
Washington	2.5	47.6	78.7	32.1	51.4	16.5	24.8	39.8	35.4
West Virginia	.7	57.8	90.9	25.2	60.4	14.4	25.4	26.3	48.3
Wisconsin	3.2	64.2	65.8	41.7	48.1	10.2	15.4	39.4	45.2
Wyoming	.3	64.8	78.9	32.4	60.5	7.1	16.4	40.2	43.4

Table F–5. Characteristics of Trainees Enrolled in On-the-Job Training Programs Under the MDTA, Fiscal Years 1963–68

[Percent distribution]

Characteristic	Total	Fiscal year of enrollment					
		1968	1967	1966	1965	1964	1963 [1]
Total: Number (thousands)	321.0	125.0	115.0	58.3	11.6	9.0	2.1
Percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Sex:							
Male	68.7	68.3	67.0	72.0	71.9	70.9	80.8
Female	31.3	31.7	33.0	28.0	28.1	29.1	19.2
Age:							
Under 19 years	12.9	11.7	12.4	16.5	15.2	7.8	8.2
19 to 21 years	22.9	23.4	22.4	23.1	23.3	19.8	22.9
22 to 34 years	40.6	40.8	41.6	38.1	38.6	47.1	44.1
35 to 44 years	13.4	13.4	13.6	12.7	12.4	16.5	15.0
45 years and over	10.2	10.7	10.0	9.6	10.5	8.8	9.8
Race:							
White	71.3	64.4	73.1	76.2	77.1	76.2	83.0
Negro	26.3	32.9	24.5	22.1	20.9	22.9	13.1
Other nonwhite	2.4	2.7	2.4	1.7	2.0	.9	3.9
Family status:							
Head of family or household	51.6	54.4	50.2	49.5	48.1	58.8	56.1
Other	48.4	45.6	49.8	50.5	51.9	41.2	43.9
Years of school completed:							
Under 8 years	6.3	7.0	5.9	6.2	5.6	5.4	6.4
8 years	8.4	8.7	8.2	8.0	8.4	8.8	9.2
9 to 11 years	31.4	34.2	30.7	28.7	30.6	29.0	28.7
12 years	46.3	43.7	47.5	48.3	46.6	47.6	45.4
Over 12 years	7.6	6.4	7.7	8.8	8.8	9.2	10.3
Years of gainful employment:							
Under 3 years	41.4	41.6	41.5	42.2	40.7	28.1	34.4
3 to 9 years	35.1	34.6	35.6	34.6	34.7	39.9	38.1
10 years or more	23.5	23.8	22.9	23.2	24.6	32.0	27.5
Number of dependents:							
0	45.5	45.2	45.6	47.7	44.6	35.1	38.1
1 person	17.6	17.1	18.1	17.1	17.9	18.4	17.9
2 persons	13.7	14.0	13.5	13.1	13.3	15.8	16.3
3 persons	10.2	10.0	10.0	10.0	10.8	14.1	13.0
4 persons	6.1	6.3	6.0	5.8	6.4	9.1	7.4
5 persons and over	6.9	7.4	6.8	6.3	7.0	7.5	7.3
Wage earner status:							
Primary	66.5	71.5	65.5	62.3	56.5	70.4	64.8
Other	33.5	28.5	34.5	37.7	43.5	29.6	35.2
Eligible for allowance:							
Yes	19.3	24.4	16.2	16.9	19.3	24.6	16.6
No	80.7	75.6	83.8	83.1	80.7	75.4	83.4
Unemployment insurance claimant:							
Yes	6.2	6.0	5.7	5.6	11.3	18.3	9.4
No	93.8	94.0	94.3	94.4	88.7	81.7	90.6
Public assistance recipient:							
Yes	3.6	5.1	2.9	2.7	2.7	3.0	1.3
No	96.4	94.9	97.1	97.3	97.3	97.0	98.7
Prior employment status:							
Unemployed	63.3	66.5	60.2	62.8	66.3	67.3	65.1
Family farmworker	.4	.3	.3	.6	.8	.1	.3
Reentrant to labor force	3.2	3.3	3.9	2.3	2.6	.3	1.7
Underemployed	33.1	29.9	35.6	34.3	30.3	32.3	32.9
Duration of unemployment:							
Under 5 weeks	43.6	41.5	44.8	45.3	42.1	41.6	45.9
5 to 14 weeks	22.6	23.3	22.8	21.3	23.0	24.7	20.1
15 to 26 weeks	11.4	12.5	11.2	10.0	11.1	14.1	9.8
27 to 52 weeks	7.9	8.5	7.5	7.5	7.9	7.6	8.3
Over 52 weeks	14.5	14.2	13.7	15.9	15.9	12.0	15.9
Prior military service:							
Veteran	27.8	25.3	27.1	32.5	31.6	31.5	29.2
Rejectee	4.3	4.6	4.6	3.7	3.3	1.4	1.6
Other nonveteran	67.9	70.1	68.3	63.8	65.1	67.1	69.2
Handicapped:							
Yes	4.9	5.7	4.6	4.4	5.1	3.7	2.9
No	95.1	94.3	95.4	95.6	94.9	96.3	97.1

[1] Program became operational August 1962.

Table F–6. Characteristics of Trainees Enrolled in On-the-Job Training Programs Under the MDTA, by State, Fiscal Year 1968

State	Number of enrollees (thousands)	Percent of total							
		Male	White	Age			Education		
				Under 22 years	22 to 44 years	45 years and over	8 years or less	9 to 11 years	12 years or more
United States	125.0	68.3	64.4	35.1	54.2	10.7	15.7	34.2	50.1
Alabama	2.2	75.8	73.7	35.4	57.5	7.1	21.4	40.9	37.7
Alaska	0								
Arizona	1.0	69.0	64.3	29.5	57.4	13.1	14.9	31.4	53.7
Arkansas	1.6	47.0	85.9	32.3	62.1	5.6	11.8	31.3	56.9
California	20.0	69.1	61.2	36.7	54.3	9.0	12.5	33.3	54.2
Colorado	.7	70.5	81.1	37.5	53.7	8.8	11.6	31.1	57.3
Connecticut	1.4	62.6	62.8	42.4	51.5	6.1	15.9	39.0	45.1
Delaware	.3	81.8	37.2	32.0	45.3	22.7	19.2	47.3	33.5
District of Columbia	1.5	53.6	29.5	21.1	61.0	17.9	19.0	34.5	46.5
Florida	1.2	60.8	74.6	39.4	51.1	9.5	9.1	39.5	51.4
Georgia	3.9	45.0	38.9	32.7	59.5	7.8	18.4	41.1	40.5
Hawaii	.5	36.7	27.8	30.7	59.3	10.0	15.5	20.8	63.7
Idaho	.2	78.2	97.3	41.2	51.6	7.2	11.2	28.2	60.6
Illinois	6.2	69.5	58.0	34.3	56.9	8.8	14.4	38.8	46.8
Indiana	3.3	66.1	79.6	38.8	52.2	9.0	8.1	37.5	54.4
Iowa	1.3	74.3	92.1	36.5	52.4	11.1	16.4	29.6	54.0
Kansas	.3	94.4	65.0	41.7	52.7	5.6	9.9	25.9	64.2
Kentucky	1.9	75.7	88.3	31.0	60.3	8.7	29.9	30.8	39.3
Louisiana	4.2	66.4	48.4	44.8	50.0	5.2	9.4	28.9	61.7
Maine	.7	87.3	99.2	29.8	58.7	11.5	22.0	30.1	47.9
Maryland	1.7	61.7	28.0	40.4	48.2	11.4	24.7	44.3	31.0
Massachusetts	1.6	70.1	75.5	39.7	51.1	9.2	13.8	26.6	59.6
Michigan	4.9	71.3	50.9	32.4	56.9	10.7	14.7	40.4	44.9
Minnesota	1.9	54.9	95.1	42.2	43.9	13.9	12.4	23.0	64.6
Mississippi	1.6	87.1	77.9	40.6	52.1	7.3	22.9	27.5	49.6
Missouri	3.2	65.5	39.6	34.0	57.4	8.6	15.2	44.6	40.2
Montana	.3	84.2	94.0	19.3	57.4	23.3	17.2	29.1	53.7
Nebraska	.4	81.1	83.6	28.0	65.2	6.8	9.9	29.0	61.1
Nevada	.3	74.9	72.6	23.1	53.3	23.6	12.0	36.2	51.8
New Hampshire	.1	100.0	100.0	38.0	55.5	6.5	16.7	31.5	51.8
New Jersey	6.4	53.1	51.5	33.7	52.6	13.7	18.8	34.1	47.1
New Mexico	.3	88.9	78.5	33.3	56.0	10.7	18.4	34.1	47.5
New York	9.3	70.8	64.3	30.7	54.2	15.1	18.4	36.6	45.0
North Carolina	3.2	76.0	70.6	41.2	52.6	6.2	22.2	35.6	42.2
North Dakota	.3	84.1	91.8	31.8	59.1	9.1	43.2	31.8	25.0
Ohio	4.8	85.8	62.6	38.8	54.4	6.8	9.2	34.0	56.8
Oklahoma	1.3	80.6	84.4	28.2	61.3	10.5	14.5	31.5	54.0
Oregon	1.2	54.6	90.9	28.0	50.2	21.8	12.4	23.7	63.9
Pennsylvania	9.7	68.0	57.5	31.8	45.9	22.3	12.6	36.4	51.0
Puerto Rico	2.9	22.2	79.6	56.2	42.7	1.1	20.5	21.1	58.4
Rhode Island	.5	83.1	86.1	35.1	59.8	5.1	12.8	26.2	61.0
South Carolina	1.3	49.8	70.9	32.4	57.1	10.5	30.2	38.3	31.5
South Dakota	.5	72.3	88.4	32.6	49.1	18.3	20.6	29.2	50.2
Tennessee	3.8	75.8	86.5	30.0	57.5	12.5	26.4	30.9	42.7
Texas	5.7	80.0	67.8	36.5	58.2	5.3	16.1	32.5	51.4
Utah	.2	72.7	92.3	40.3	55.7	4.0	3.4	22.3	74.3
Vermont	.1	88.8	98.6	33.7	57.5	8.8	16.3	26.3	57.4
Virginia	.5	74.5	36.7	24.3	62.2	13.5	39.2	36.3	24.5
Washington	1.6	63.9	78.4	27.8	56.8	15.4	11.7	27.5	60.8
West Virginia	1.3	80.3	95.5	31.6	59.4	9.0	19.3	28.2	52.5
Wisconsin	1.6	81.5	86.8	38.0	54.5	7.5	8.5	25.2	66.3
Wyoming	.1	32.9	57.7	24.6	68.6	6.8	8.5	33.8	57.7

Table F–7. Enrollment Opportunities and Federal Obligations for Training Programs Under the MDTA, by State, August 1962–June 1968 and Fiscal Year 1968

[Thousands]

State	Total, August 1962–June 1968						Fiscal year 1968					
	Enrollment opportunities			Federal obligations			Enrollment opportunities			Federal obligations		
	Total [1]	Institutional [2]	On-the-job [3]	Total [1]	Institutional [2]	On-the-job [3]	Total [1]	Institutional	On-the-job	Total [1]	Institutional	On-the-job
United States	1,301.9	745.7	460.3	$1,530,265	$1,164,812	$302,383	253.1	114.0	104.6	$332,491	$216,586	$89,837
Alabama	19.6	12.8	4.0	24,000	19,819	2,265	3.5	1.8	1.0	5,699	4,627	640
Alaska	3.5	3.2	.3	6,791	6,425	317	.6	.4	.2	1,438	1,106	283
Arizona	13.7	6.7	4.3	14,914	10,247	2,820	5.4	1.3	1.3	4,590	1,747	995
Arkansas	11.6	6.3	5.0	11,316	8,884	1,654	2.1	1.2	.9	2,804	2,332	472
California	152.5	78.3	65.2	187,514	138,614	42,391	30.7	13.5	16.3	48,722	32,046	15,757
Colorado	11.0	6.7	3.8	15,738	12,918	2,376	2.4	1.2	.7	3,692	2,559	688
Connecticut	27.5	18.4	8.3	20,898	12,747	6,421	4.0	.9	2.4	5,462	1,463	2,310
Delaware	3.1	1.7	1.4	2,941	2,423	518	.8	.3	.5	495	385	110
District of Columbia	30.0	8.9	19.1	31,620	8,119	21,061	7.1	1.7	5.4	9,916	1,727	7,733
Florida	24.6	17.8	6.2	25,143	21,879	2,835	4.6	2.8	1.2	5,620	4,432	759
Georgia	24.9	12.7	10.2	26,220	18,543	6,696	3.6	2.2	1.4	4,750	3,835	915
Guam	.3	.3		423	423		.1	.1		93	93	
Hawaii	5.5	2.3	2.2	4,893	2,317	2,176	1.4	.4	(4)	949	537	12
Idaho	2.1	1.4	.7	3,293	2,826	467	.4	.2	.2	621	492	129
Illinois	79.2	45.6	28.5	99,196	74,050	23,106	14.0	5.3	6.5	16,337	9,671	6,501
Indiana	22.8	14.1	7.7	28,977	22,540	5,219	5.4	2.5	1.9	6,511	3,984	1,309
Iowa	10.5	7.1	3.2	16,865	14,358	2,108	2.2	1.1	.9	3,733	2,637	697
Kansas	12.1	6.4	5.6	14,977	13,912	1,056	1.5	.9	.5	2,120	1,955	156
Kentucky	26.2	17.1	8.0	37,716	31,987	4,677	5.7	2.8	1.8	5,836	3,618	1,166
Louisiana	22.5	7.0	10.5	19,821	14,562	3,924	2.9	1.4	1.5	4,020	3,171	849
Maine	13.3	8.8	4.3	9,261	7,117	1,560	2.4	1.0	1.2	2,277	1,128	565
Maryland	20.8	9.6	6.6	16,079	10,199	3,431	3.7	1.7	2.0	3,464	2,636	828
Massachusetts	42.5	25.3	11.3	51,039	37,039	10,842	8.1	3.3	4.3	12,631	5,922	5,728
Michigan	50.6	30.6	16.4	77,395	58,572	17,434	6.3	3.6	2.7	11,999	9,075	2,924
Minnesota	21.2	13.6	6.9	30,672	24,714	4,526	4.7	2.1	1.9	7,535	3,808	2,295
Mississippi	19.0	10.0	6.0	28,516	23,227	4,708	5.5	1.8	.7	5,610	4,485	663
Missouri	28.7	18.3	7.0	39,168	30,453	6,598	3.7	2.2	.8	6,344	4,401	765
Montana	4.6	3.1	.8	5,808	4,552	435	1.0	.4	(4)	1,567	754	22
Nebraska	7.6	6.2	1.2	10,965	10,385	546	1.6	1.2	.2	2,346	2,174	138
Nevada	6.6	3.6	1.7	6,270	5,39	722	2.1	.5	.3	1,371	729	233
New Hampshire	5.8	4.0	1.5	5,507	4,634	473	.9	.5	.1	1,366	887	79
New Jersey	56.6	27.7	23.0	59,499	44,216	12,381	14.2	6.8	4.1	13,574	9,862	2,858
New Mexico	4.5	3.8	.6	6,741	5,790	363	1.3	1.0	.2	2,399	1,684	127
New York	115.2	65.4	45.8	163,576	130,341	29,164	20.3	8.2	11.7	34,699	23,963	9,724
North Carolina	23.4	10.6	12.6	21,307	16,960	3,947	3.9	1.8	1.9	4,811	3,445	966
North Dakota	3.9	2.7	1.2	7,490	6,527	963	.5	.3	.2	1,137	897	240
Ohio	58.3	36.4	15.3	67,682	52,700	11,362	11.2	5.8	2.3	12,081	9,476	1,797
Oklahoma	14.3	11.3	2.8	11,669	9,878	1,391	2.4	1.5	.7	2,923	2,160	363
Oregon	13.4	7.8	3.8	13,095	10,291	2,333	4.2	1.3	1.1	3,495	1,871	1,153
Pennsylvania	69.0	38.4	23.7	79,883	62,759	13,189	14.3	6.4	7.7	15,272	11,621	3,618
Puerto Rico	21.2	13.0	8.2	15,052	13,363	1,682	1.9	1.3	.6	2,475	2,299	169
Rhode Island	5.2	3.4	1.4	6,623	5,208	883	1.4	.6	.4	1,805	992	281
South Carolina	19.0	12.2	6.6	17,758	15,481	1,499	2.4	1.2	1.0	3,344	2,183	383
South Dakota	4.1	1.7	2.4	5,715	4,497	1,218	.9	.3	.6	1,171	801	370
Tennessee	27.7	13.7	12.4	28,683	21,644	5,310	5.6	1.9	2.1	6,953	3,800	1,424
Texas	49.9	25.3	17.5	54,609	33,270	16,781	13.3	5.4	6.6	17,574	8,334	7,946
Utah	4.8	3.5	1.3	7,117	6,346	771	.7	.6	.1	1,477	1,384	93
Vermont	3.5	2.8	.6	4,730	4,123	474	.4	.2	.1	584	335	116
Virginia	16.1	11.8	4.0	16,338	13,550	2,357	3.2	2.3	.6	3,478	2,771	276
Virgin Islands	.8	.8	(4)	390	375	15	(4)	(4)		43	43	
Washington	27.9	21.2	4.9	21,291	18,352	2,522	5.4	3.1	.5	4,299	3,523	359
West Virginia	13.6	7.7	5.9	13,237	10,277	2,960	1.9	.6	1.3	1,825	1,399	426
Wisconsin	24.0	15.4	8.0	30,929	22,479	7,272	5.1	3.1	1.8	6,770	5,007	1,363
Wyoming	1.6	1.2	.4	2,915	2,731	184	.2	(4)	.2	384	320	64

[1] Includes authorizations for Redevelopment Areas under section 241 of the MDTA.

The totals for some States include data for the Concentrated Employment Program (CEP) and for part-time training projects for skill upgrading, not shown separately. Enrollment opportunities for CEP totaled 64,400 for the period August 1962–June 1968 and 26,200 for fiscal 1968; funds were $46,046,000 and $20,567,000, respectively. Enrollment opportunities for part-time training projects were 31,500 for August 1962–June 1968, 8,300 for fiscal 1968; funds were $17,024,000 and $5,501,000, respectively.

[2] These figures include 6,200 enrollment opportunities and $10,932,000 in Federal obligations funded from the fiscal 1966 MDTA appropriation but considered part of the CEP and allocated to that program in the national figures shown in table F–1.

[3] These figures include 4,400 enrollment opportunities and $3,096,000 in obligations from the fiscal 1966 MDTA appropriations allocated to the CEP in table F–1.

Opportunities authorized and funds obligated under national contracts are generally shown in the State in which the contract was signed rather than in the State in which the training was given. National contracts represent a significant proportion of OJT training opportunities and Federal funds for the District of Columbia but are relatively minor for other States.

[4] Less than 50.

Table F–8. Characteristics of Youth Enrolled in Neighborhood Youth Corps Projects, by School Status, January 1965–August 1968

[Percent distribution]

Characteristic	In school [1]				Out of school			
	September 1967–August 1968	September 1966–August 1967	September 1965–August 1966	January 1965–August 1965	September 1967–August 1968	September 1966–August 1967	September 1965–August 1966	January 1965–August 1965
Total: Number (thousands)	483.7	446.0	357.8	157.5	137.6	172.9	187.2	119.0
Percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Sex:								
Male	54.2	54.8	54.8	63.4	49.4	51.6	57.0	60.2
Female	45.8	45.2	45.2	36.6	50.6	48.4	43.0	39.8
Age:								
Under 17 years	42.4	47.6	28.4	23.8	12.4	21.3	9.1	6.8
17 years	36.9	35.7	43.0	43.3	24.2	24.8	22.3	18.4
18 years	15.2	12.3	20.6	22.6	24.4	22.5	25.3	33.1
19 years	4.2	3.4	6.1	7.3	18.2	16.1	21.1	21.8
20 and 21 years	1.3	1.0	1.9	3.0	19.2	15.4	22.2	19.9
22 years and over					1.4			
Race:								
White	53.9	52.4	55.8	67.3	50.4	47.0	48.2	51.4
Negro	42.1	43.3	39.0	28.7	45.2	49.4	45.2	45.1
American Indian	2.6	2.5	3.5	2.0	2.4	2.1	4.0	1.6
Oriental	.4	.6	1.0	.7	.4	.4	1.3	.4
Other	1.0	1.2	.7	1.3	1.6	1.1	1.3	1.5
Years of school completed:								
6 years or less	.9	.6	.8	.4	5.1	5.4	5.6	3.2
7 years	2.6	1.7	1.5	.9	6.8	6.5	5.9	4.2
8 years	9.8	7.6	6.3	3.7	16.5	15.3	13.4	11.0
9 years	21.6	20.2	17.8	12.4	23.5	22.0	19.3	15.6
10 years	34.0	35.3	34.9	30.6	24.0	23.9	21.0	17.0
11 years	29.9	33.0	35.8	38.1	17.5	17.5	15.6	11.0
12 years [2]	1.1	1.5	2.9	13.9	6.6	9.4	19.2	38.0
Marital status:								
Single	99.1	99.3	98.8	98.9	83.4	85.3	88.8	91.6
Married, spouse present	.7	.5	.9	1.0	12.1	10.7	8.6	6.9
Widowed, divorced, separated	.2	.2	.3	.1	4.4	4.0	2.6	1.5
Estimated annual family income:								
Below $1,000	.2	5.9	10.4	(3)	.4	7.4	17.8	(3)
$1,000–$1,999	30.6	28.9	24.6	(3)	42.8	40.6	27.0	(3)
$2,000–$2,999	27.4	25.8	28.3	(3)	25.3	23.8	25.0	(3)
$3,000–$3,999	22.8	21.4	20.2	(3)	17.9	16.0	16.7	(3)
$4,000–$4,999	12.1	11.9	11.2	(3)	8.8	8.1	8.8	(3)
$5,000 and over	6.8	6.1	5.3	(3)	4.8	4.2	4.7	(3)
Number of persons in family:								
1 person	.8	.8	.8	(3)	4.7	4.0	3.4	(3)
2 persons	3.4	3.4	3.9	(3)	8.5	7.5	7.3	(3)
3 persons	7.5	8.0	9.2	(3)	12.3	11.3	11.7	(3)
4 persons	10.9	11.9	12.8	(3)	12.0	12.0	13.0	(3)
5 persons	13.4	14.0	14.5	(3)	11.8	12.3	12.9	(3)
6 persons	13.6	13.6	13.6	(3)	11.0	11.3	11.6	(3)
7 persons	12.6	12.5	12.0	(3)	9.7	10.3	10.3	(3)
8 persons and over	37.9	35.8	33.2	(3)	30.1	31.4	29.8	(3)
Head of household:								
Father	56.5	57.4	58.9	(3)	38.9	42.0	45.6	(3)
Mother	32.9	32.5	30.4	(3)	28.4	28.9	28.3	(3)
Enrollee	.5	.4	.7	(3)	10.5	8.6	7.8	(3)
Other	10.1	9.7	10.0	(3)	22.2	20.5	18.3	(3)

Footnotes at end of table.

Table F–8. Characteristics of Youth Enrolled in Neighborhood Youth Corps Projects, by School Status, January 1965–August 1968—Continued

Characteristic	In school [1]				Out of school			
	September 1967–August 1968	September 1966–August 1967	September 1965–August 1966	January 1965–August 1965	September 1967–August 1968	September 1966–August 1967	September 1965–August 1966	January 1965–August 1965
Reason for leaving school:								
Academic					[4] 84.7	15.3	19.1	([3])
Economic					12.7	26.1	28.7	([3])
Discipline					.5	10.3	13.6	([3])
Health					.3	7.4	7.6	([3])
Other [5]					1.8	40.9	31.0	([3])
Months since leaving school:								
1 to 3 months					12.2	9.4	12.4	([3])
4 to 6 months					14.6	12.4	13.5	([3])
7 to 12 months					25.7	25.3	24.7	([3])
13 to 24 months					22.9	25.2	24.1	([3])
25 to 36 months					6.5	14.3	13.6	([3])
More than 36 months					18.1	13.4	11.7	([3])
Draft classification: [6]								
1A (eligible)					41.0	39.8	38.6	45.2
1Y (acceptable in time of war or national emergency)					22.5	31.8	27.8	18.3
4F (not acceptable)					16.0	20.9	17.5	10.7
Other					20.4	7.4	16.1	25.8
Percent living in public housing	13.0	14.4	11.8	([3])	15.0	14.0	14.2	([3])
Percent with family on public assistance	27.9	27.3	26.0	([3])	27.8	26.4	27.5	([3])
Percent contributing to family support before NYC	41.0	37.3	37.5	18.7	59.4	56.7	52.0	32.7
Percent who ever had a paying job	42.9	43.8	41.5	33.0	68.5	65.3	61.9	53.3
Hours worked per week on last paying job:								
1 to 15 hours	39.8	32.9	36.7	([3])	12.4	10.6	11.1	8.3
16 to 40 hours	54.1	59.4	53.2	([3])	73.6	70.5	69.4	68.7
More than 40 hours	6.1	7.7	10.1	([3])	14.0	18.9	19.5	23.0

[1] Includes 817,000 youth enrolled in summer projects.
[2] Not necessarily high school graduates.
[3] Not available.
[4] The data on reasons for leaving school are not precisely comparable with earlier years; in particular, the bulk of trainees previously reported in the "other" category should have been reported in the "academic" group.
[5] Includes personal reasons, pregnancy, marriage, parental influence, poor relationships with fellow students, etc.
[6] Based only on persons reporting a draft classification.

Table F–9. Enrollment Opportunities and Federal Obligations for Neighborhood Youth Corps Projects, by State, January 1965–June 1968 and Fiscal Year 1968 [1]

[Thousands]

State	Total, January 1965–June 1968		Fiscal year 1968				
			Enrollment opportunities				Federal obligations
	Enrollment opportunities	Federal obligations	Total	In school	Out of school [2]	Summer	
United States	1,856.5	[3] $1,021,775	537.7	135.0	63.7	339.1	$281,863
Alabama	34.8	21,017	11.4	3.8	2.1	5.4	6,849
Alaska	6.4	5,586	1.9	.5	.3	1.1	1,212
Arizona	37.7	20,536	8.7	1.5	.9	6.3	4,532
Arkansas	45.4	23,665	9.8	2.3	1.2	6.3	5,164
California	154.1	87,209	52.0	16.7	5.0	30.2	22,060
Colorado	17.6	9,788	3.8	1.0	.5	2.3	2,114
Connecticut	16.0	10,213	4.0	1.2	.6	2.3	2,720
Delaware	2.6	1,434	.6	.1	.1	.4	259
District of Columbia	39.0	25,384	12.9	2.2	1.2	9.5	11,108
Florida	42.4	25,807	11.0	3.3	2.1	5.6	6,566
Georgia	50.2	26,165	15.0	4.8	1.7	8.5	8,540
Guam	.3	207	.1	(4)	.1	.1	66
Hawaii	7.5	3,330	1.5	.3	.2	1.0	577
Idaho	3.2	1,465	.9	.3	(4)	.5	396
Illinois	117.8	52,199	36.1	6.7	2.9	26.5	16,746
Indiana	24.6	14,944	7.0	2.1	1.1	3.9	3,468
Iowa	12.5	7,151	4.7	1.5	.5	2.7	2,861
Kansas	11.4	6,213	3.3	1.1	.4	1.8	1,730
Kentucky	56.1	24,764	16.2	5.4	1.7	9.1	6,763
Louisiana	37.0	19,656	12.5	3.1	1.5	8.0	6,808
Maine	8.7	5,174	2.1	.8	.3	1.0	1,280
Maryland	20.4	12,200	9.5	1.3	.8	7.4	4,733
Massachusetts	35.3	18,872	8.6	2.6	1.1	4.8	3,838
Michigan	50.5	25,634	14.2	3.5	1.6	9.1	7,085
Minnesota	28.4	15,249	8.9	2.1	.4	6.4	3,547
Mississippi	34.7	20,962	10.2	2.1	1.8	6.3	5,753
Missouri	48.2	28,054	10.4	2.7	1.5	6.2	6,515
Montana	7.2	3,943	2.2	.4	.1	1.6	996
Nebraska	9.7	4,736	3.8	.9	.3	2.6	1,686
Nevada	4.3	2,322	1.0	.3	.2	.5	530
New Hampshire	3.0	1,728	1.0	.2	.2	.7	576
New Jersey	47.8	31,735	13.8	3.4	2.0	8.3	8,545
New Mexico	15.3	8,199	4.1	.9	.3	2.9	1,909
New York	193.2	110,334	57.1	9.6	6.4	41.1	33,079
North Carolina	59.3	33,319	18.2	4.4	2.1	11.6	9,938
North Dakota	5.3	2,712	1.6	.4	.2	1.0	762
Ohio	72.9	42,475	19.7	4.4	2.0	13.3	10,226
Oklahoma	41.9	21,357	9.2	3.2	.9	5.1	4,835
Oregon	14.3	7,138	3.6	.9	.4	2.2	1,730
Pennsylvania	80.3	48,016	22.9	6.0	2.8	14.0	12,945
Puerto Rico	39.5	16,894	9.3	2.6	2.9	3.8	3,689
Rhode Island	13.0	6,065	3.0	1.2	.2	1.6	1,450
Saipan	.2	63	.2		.2		63
South Carolina	29.3	15,778	9.3	2.8	1.4	5.1	5,319
South Dakota	7.1	3,824	2.4	.6	.3	1.6	1,321
Tennessee	48.2	25,834	12.4	3.3	1.9	7.3	6,956
Texas	98.8	54,878	30.4	8.5	3.7	18.3	15,181
Utah	8.3	5,342	2.0	.6	.1	1.2	1,062
Vermont	4.0	2,254	1.1	.3	.2	.7	640
Virginia	29.0	17,933	10.1	2.6	1.6	5.9	5,504
Virgin Islands	1.6	1,597	.4		.2	.2	495
Washington	22.0	12,793	5.3	1.4	.5	3.4	2,469
West Virginia	34.3	16,268	9.0	1.5	1.0	6.5	3,855
Wisconsin	21.9	9,915	7.0	1.3	.2	5.5	2,421
Wyoming	2.5	1,388	.8	.2	.1	.5	394

[1] Excludes data for Neighborhood Youth Corps projects funded under the Concentrated Employment Program.

[2] Includes data for Work-Training-in-Industry components.

[3] Includes $59,250 for two nationwide developmental projects initiated during fiscal year 1965.

[4] Less than 50.

Table F–10. Characteristics of Persons Enrolled in Concentrated Employment Program Projects and Enrollees Placed in Employment, Fiscal Year 1968

[Percent distribution]

Characteristic	All enrollees	Enrollees placed	Characteristic	All enrollees	Enrollees placed
Total	[1] 100	[2] 100	Ethnic group:		
			Mexican American	8	4
Sex:			Puerto Rican	4	5
Male	48	62			
Female	52	38	Years of school completed:		
			Under 12 years	78	74
Age:			12 years and over	22	26
Under 22 years	36	35			
22 to 44 years	55	55	Duration of unemployment:		
45 years and over	9	10	Under 15 weeks	51	56
			15 weeks and over	49	44
Race:					
White	15	13	Poverty status (OEO definition):		
Negro	81	81	Below poverty line	92	92
Other nonwhite	4	6	Above poverty line	8	8
			Public welfare recipient	19	15

[1] Based on 74,000 persons interviewed for CEP programs, of whom 53,000 were enrolled in CEP.

[2] Based on 16,000 of 25,000 CEP enrollees placed in employment.

Table F–11. Enrollment Opportunities and Federal Obligations for Concentrated Employment Program Projects, by State and Area, Fiscal Years 1966–68

[Thousands]

State and area	Enrollment opportunities			Federal obligations		
	Total	FY 1968	FY 1966–67	Total	FY 1968	FY 1966–67
Total	159,601	67,885	91,716	[1] $194,502	$89,743	[1] $105,059
Alabama	6,413	2,510	3,903	5,225	2,087	3,138
Birmingham	3,903		3,903	3,138		3,138
Huntsville	2,510	2,510		2,087	2,087	
Arizona	3,223		3,223	3,517		3,517
Phoenix	3,223		3,223	3,517		3,517
Arkansas	1,461	1,461		2,000	2,000	
Arkansas—rural	1,461	1,461		2,000	2,000	
California	14,125	500	13,625	19,569	2,087	17,482
Los Angeles	5,040		5,040	8,058		8,058
Oakland	4,541		4,541	4,742		4,742
Richmond	500	500		2,087	2,087	
San Francisco	4,044		4,044	4,682		4,682
Colorado	920	920		2,247	2,247	
Denver	920	920		2,247	2,247	
Connecticut	3,885	3,885		2,087	2,087	
Hartford	3,885	3,885		2,087	2,087	
District of Columbia	3,650		3,650	5,882		5,882
Florida	1,899	1,899		2,087	2,087	
Tampa	1,899	1,899		2,087	2,087	
Georgia	6,300		6,300	4,689		4,689
Atlanta	6,300		6,300	4,689		4,689
Hawaii	1,012	1,012		2,347	2,347	
Honolulu	1,012	1,012		2,347	2,347	
Illinois	5,297		5,297	7,310		7,310
Chicago	5,297		5,297	7,310		7,310
Indiana	1,685	1,685		2,677	2,677	
Gary	1,685	1,685		2,677	2,677	
Iowa	574	574		2,083	2,083	
Des Moines	574	574		2,083	2,083	
Kentucky	1,376	1,376		4,522	4,522	
Eastern Kentucky—rural	1,376	1,376		4,522	4,522	
Louisiana	1,610		1,610	4,588		4,588
New Orleans	1,610		1,610	4,588		4,588
Maine	3,473	3,473		2,462	2,462	
Portland	3,473	3,473		2,462	2,462	
Maryland	6,320		6,320	4,768		4,768
Baltimore	6,320		6,320	4,768		4,768
Massachusetts	4,945	1,945	3,000	6,323	2,087	4,236
Boston	3,000		3,000	4,236		4,236
Springfield	1,945	1,945		2,087	2,087	
Michigan	4,386		4,386	7,801		7,801
Detroit	3,086		3,086	5,771		5,771
Northern Michigan	1,300		1,300	2,030		2,030
Minnesota	905	905		4,247	4,247	
Duluth	445	445		2,247	2,247	
Minnesota—rural	460	460		2,000	2,000	
Mississippi	2,400		2,400	3,128		3,128
Mississippi Delta	2,400		2,400	3,128		3,128

Footnote at end of table.

Table F–11. Enrollment Opportunities and Federal Obligations for Concentrated Employment Program Projects, by State and Area, Fiscal Years 1966–68—Continued

State and area	Enrollment opportunities			Federal obligations		
	Total	FY 1968	FY 1966–67	Total	FY 1968	FY 1966–67
Missouri	6,582	1,203	5,379	9,429	4,347	5,082
Kansas City	478	478		2,347	2,347	
Missouri—rural	725	725		2,000	2,000	
St. Louis	5,379		5,379	5,082		5,082
Montana	1,545	1,545		1,997	1,997	
Montana—rural	1,545	1,545		1,997	1,997	
Nevada	1,360	1,360		2,087	2,087	
Las Vegas	1,360	1,360		2,087	2,087	
New Hampshire	2,208	2,208		2,147	2,147	
Manchester	2,208	2,208		2,147	2,147	
New Jersey	11,854	6,479	5,375	8,738	4,271	4,467
Hoboken	2,319	2,319		2,085	2,085	
Newark	5,375		5,375	4,467		4,467
Trenton	4,160	4,160		2,186	2,186	
New Mexico	2,365	2,365		2,247	2,247	
Albuquerque	2,365	2,365		2,247	2,247	
New York	6,465	4,365	2,100	9,403	4,678	4,725
Buffalo	2,125	2,125		2,337	2,337	
New York	2,100		2,100	4,725		4,725
Rochester	2,240	2,240		2,341	2,341	
North Carolina	1,775	1,775		2,087	2,087	
Charlotte	1,775	1,775		2,087	2,087	
Ohio	7,964	3,894	4,070	9,834	4,272	5,562
Cleveland	4,070		4,070	5,562		5,562
Columbus	1,820	1,820		2,185	2,185	
Dayton	2,074	2,074		2,087	2,087	
Oklahoma	784	784		2,247	2,247	
Tulsa	784	784		2,247	2,247	
Oregon	3,314	3,314		2,347	2,347	
Portland	3,314	3,314		2,347	2,347	
Pennsylvania	9,242		9,242	8,902		8,902
Philadelphia	4,992		4,992	4,893		4,893
Pittsburgh	4,250		4,250	4,009		4,009
Rhode Island	1,200	1,200		2,087	2,087	
Providence	1,200	1,200		2,087	2,087	
South Carolina	500	500		2,000	2,000	
South Carolina—rural	500	500		2,000	2,000	
Tennessee	5,170	5,170		6,434	6,434	
Chattanooga	1,685	1,685		2,087	2,087	
Nashville	1,620	1,620		2,347	2,347	
Tennessee—rural	1,865	1,865		2,000	2,000	
Texas	12,696	860	11,836	13,890	4,434	9,456
Houston	5,806		5,806	4,944		4,944
San Antonio	6,030		6,030	4,512		4,512
Texarkana	640	640		2,347	2,347	
Waco	220	220		2,087	2,087	
Virginia	1,865	1,865		2,347	2,347	
Norfolk	1,865	1,865		2,347	2,347	
Washington	1,800	1,800		2,347	2,347	
Seattle	1,800	1,800		2,347	2,347	
Wisconsin	5,053	5,053		4,347	4,347	
Milwaukee	4,420	4,420		2,347	2,347	
Wisconsin—rural	633	633		2,000	2,000	

[1] Includes $326,000 for technical assistance not allocated to cities.

Table F–12. Characteristics of Persons Enrolled in Operation Mainstream and New Careers Projects, September 1967–August 1968

[Percent distribution]

Characteristic	Operation Mainstream	New Careers
Total	[1] 100.0	[2] 100.0
Sex:		
Male	84.3	36.8
Female	15.7	63.2
Age: Median years	41.8	31.5
Percent	100.0	100.0
Under 22 years	3.7	.5
22 to 34 years	32.1	65.2
35 to 44 years	19.6	20.1
45 to 54 years	20.4	10.9
55 to 64 years	17.4	3.1
65 years and over	6.8	.1
Race:		
White	59.5	24.8
Negro	25.4	73.9
American Indian	10.4	.1
Oriental	1.6	----
Other	3.1	1.2
Years of school completed: Median	8.6	11.4
Percent	100.0	100.0
6 years or less	28.6	3.2
7 years	8.4	2.9
8 years	20.2	9.0
9 years	8.8	11.0
10 years	9.7	16.7
11 years	7.0	19.1
12 years or more	17.4	38.0
Marital status:		
Single	22.9	23.4
Married, spouse present	60.5	38.3
Widowed, divorced, separated	16.6	38.3
Estimated annual family income: Median	$1,759	$1,934
Percent	100.0	100.0
Below $1,000	----	----
$1,000–$1,999	69.9	53.5
$2,000–$2,999	19.7	27.9
$3,000–$3,999	6.8	12.9
$4,000–$4,999	2.6	4.1
$5,000 and over	1.1	1.5
Number of persons in family: Median	4	4
Percent	100.0	100.0
1 person	11.6	13.5
2 persons	16.6	11.9
3 persons	14.2	16.4
4 persons	13.5	16.3
5 persons	11.3	13.4
6 persons	8.6	11.6
7 persons	7.1	6.4
8 persons and over	17.1	11.5
Number of persons in household: Median	4	4
Percent	100.0	100.0
1 person	15.6	12.8
2 persons	18.9	11.4
3 persons	13.8	15.7
4 persons	13.0	16.0
5 persons	10.7	13.4
6 persons	7.7	11.9
7 persons	6.3	7.5
8 persons and over	14.0	11.4
Head of household:		
Enrollee	63.0	61.8
Father	24.1	8.4
Mother	4.5	8.5
Other	8.4	21.3
Draft classification: [3]		
1A (eligible)	4.7	3.5
1Y (acceptable in time of war or national emergency)	7.4	11.8
4F (not acceptable)	23.3	17.6
Other (includes veterans)	64.6	67.2
Percent with children	43.9	66.0
Percent living in public housing	9.6	22.4
Percent with family on public assistance	16.2	32.7
Percent contributing to family support before enrollment	81.5	71.2
Percent who ever had a paying job	94.5	93.7
Hours worked per week on last paying job:		
1 to 15 hours	5.5	4.7
16 to 40 hours	81.4	83.8
More than 40 hours	13.2	11.4
Hourly earnings on last job:		
Less than $0.50	1.1	.3
$0.50 to $1.00	12.9	17.9
$1.01 to $1.25	14.1	13.0
$1.26 to $1.50	29.0	32.1
$1.51 and over	42.8	36.7

[1] Based on 6,420 enrollee records received between September 1, 1967, and August 31, 1968. Excludes Green Thumb and Concentrated Employment Program projects.

[2] Based on 953 enrollee records received between September 1, 1967 and August 31, 1968. Excludes Concentrated Employment Program projects.

[3] Based only on persons reporting a draft classification.

Table F–13. Nonfarm Placements by State Employment Security Agencies and Other Employment Service Activities, Fiscal Years 1967–68

[Thousands]

State	Nonfarm placements								Other selected Employment Service activities							
	Total		Manufacturing industries		Age group				Nonfarm job openings registered		Job applicants		Counseling interviews		Aptitude and proficiency tests	
					Under 22 years		45 years and over									
	FY 1968	FY 1967	FY 1968	FY 1967	FY 1968	FY 1967	FY 1968	FY 1967	FY 1968	FY 1967	FY 1968	FY 1967	FY 1968	FY 1967	FY 1968	FY 1967
United States	5,758	6,139	1,387	1,520	1,672	1,726	1,186	1,270	8,081	8,523	10,689	10,769	2,598	2,398	2,099	2,276
Alabama	96	112	22	26	32	36	15	18	129	150	205	201	31	30	42	45
Alaska	12	11	2	2	5	4	1	1	15	15	21	19	6	5	5	6
Arizona	86	89	10	11	22	18	17	17	112	117	135	119	13	11	20	23
Arkansas	106	118	34	38	29	35	19	22	113	129	164	173	35	34	41	47
California	552	625	123	132	200	231	105	115	923	1,014	1,300	1,459	267	224	187	206
Colorado	93	95	13	14	29	29	17	16	117	115	130	136	26	33	38	43
Connecticut	71	79	25	27	21	24	15	17	101	114	165	146	35	34	24	22
Delaware	7	7	2	3	2	2	1	1	11	13	16	16	8	10	5	5
District of Columbia	57	57	2	1	23	17	8	9	75	76	91	83	16	19	21	20
Florida	195	205	27	31	50	50	39	42	270	282	276	272	67	57	64	63
Georgia	139	147	30	36	40	38	20	22	198	200	191	201	33	36	35	47
Hawaii	11	11	1	2	5	5	1	1	25	22	40	40	8	7	5	5
Idaho	35	31	6	6	14	13	5	6	44	38	54	54	9	9	14	12
Illinois	168	200	57	71	43	49	30	36	242	281	414	347	131	105	71	76
Indiana	116	121	41	45	40	40	19	21	162	172	271	241	47	36	38	38
Iowa	73	71	17	19	27	25	15	14	97	99	97	93	16	18	22	24
Kansas	68	74	11	13	22	23	14	15	97	105	100	102	31	32	27	26
Kentucky	56	58	18	19	19	19	10	9	78	77	152	154	48	61	41	53
Louisiana	83	89	15	16	25	25	15	16	101	113	149	150	30	22	48	45
Maine	19	22	8	9	7	9	2	3	31	37	40	51	12	16	15	16
Maryland	71	82	20	23	22	25	14	16	111	105	147	140	46	38	27	28
Massachusetts	133	141	37	42	42	42	25	27	182	196	310	329	83	81	32	41
Michigan	217	225	56	60	47	52	61	61	267	273	502	506	100	81	60	74
Minnesota	99	105	35	36	36	37	21	24	137	147	204	214	40	42	54	62
Mississippi	84	95	26	28	29	32	12	14	103	116	158	171	63	58	48	47
Missouri	105	110	34	36	37	35	18	20	151	156	244	240	52	48	50	50
Montana	37	36	4	6	13	12	6	5	46	45	56	56	26	28	16	16
Nebraska	50	50	12	13	18	17	10	11	62	63	72	66	20	16	28	29
Nevada	26	27	1	1	6	5	8	8	37	36	49	54	11	9	8	8
New Hampshire	15	16	6	7	7	7	2	2	30	32	38	39	14	11	6	7
New Jersey	142	154	44	50	36	38	31	33	214	227	341	336	87	78	37	36
New Mexico	32	34	2	3	8	9	6	6	40	42	62	59	13	13	14	14
New York	706	754	144	158	139	140	202	220	1,054	1,104	792	831	283	278	126	153
North Carolina	101	109	38	42	34	37	15	15	173	180	247	245	57	42	68	72
North Dakota	24	26	2	2	10	10	4	4	33	37	37	35	7	6	12	10
Ohio	215	225	66	71	63	59	45	49	305	318	518	510	76	74	90	96
Oklahoma	164	172	20	20	35	36	46	49	188	195	147	147	38	33	36	35
Oregon	67	65	17	16	23	22	13	12	93	89	137	141	36	32	21	22
Pennsylvania	270	284	84	90	82	85	58	61	364	380	559	563	182	174	92	104
Puerto Rico	61	47	19	16	16	14	9	6	71	56	194	203	25	28	17	25
Rhode Island	24	23	10	9	8	8	5	5	38	38	49	47	21	16	8	9
South Carolina	59	68	16	19	18	20	10	12	87	96	121	125	24	22	32	35
South Dakota	23	23	2	3	8	8	4	5	35	36	33	33	9	9	12	14
Tennessee	105	116	37	43	34	35	15	17	142	154	182	176	34	34	46	56
Texas	534	536	105	103	124	120	119	118	656	656	723	711	199	181	200	204
Utah	36	39	7	8	14	13	5	6	47	50	81	62	19	18	33	28
Vermont	12	12	2	3	6	6	1	1	21	22	24	23	7	6	3	3
Virginia	105	111	27	28	35	34	16	17	156	161	191	179	61	51	64	64
Washington	95	119	16	21	28	33	19	24	128	157	169	181	28	30	29	36
West Virginia	22	24	5	6	8	8	4	4	28	32	85	88	24	18	13	12
Wisconsin	68	75	28	34	28	30	11	12	118	136	186	180	42	41	52	56
Wyoming	15	15	1	1	6	6	2	2	21	22	18	19	5	5	4	4

Table F–14. Training Status of Registered Apprentices in Selected Trades, 1947–67

Year	In training at beginning of year	Apprentice actions during year			In training at end of year
		New registrations and reinstatements	Completions	Cancellations [1]	
	Total, all trades [2]				
1947	131,217	94,238	7,311	25,190	192,954
1948	192,954	85,918	13,375	35,117	230,380
1949	230,380	66,745	25,045	41,257	230,823
1950	230,823	60,186	38,533	49,747	202,729
1951	202,729	63,881	38,754	56,845	171,011
1952	[3] 172,477	62,842	33,098	43,689	158,532
1953	158,532	73,620	28,561	43,333	160,258
1954	160,258	58,939	27,383	33,139	158,675
1955	158,675	67,265	24,795	26,423	174,722
1956	174,722	74,062	27,231	33,416	188,137
1957	[3] 189,684	59,638	30,356	33,275	185,691
1958	185,691	49,569	30,647	26,918	177,695
1959	177,695	66,230	37,375	40,545	166,005
1960	[3] 172,161	54,100	31,727	33,406	161,128
1961	161,128	49,482	28,547	26,414	155,649
1962	155,649	55,590	25,918	26,434	158,887
1963	158,887	57,264	26,029	26,744	163,318
1964	163,318	59,960	25,744	27,001	170,533
1965	170,533	68,507	24,917	30,168	183,955
1966	183,955	85,031	26,511	34,964	207,511
1967	207,511	68,824	27,419	33,757	215,159
	Construction trades				
1952	77,920	33,316	15,679	18,756	76,801
1953	76,801	37,102	13,523	18,393	81,987
1954	81,987	34,238	15,537	18,951	81,737
1955	81,737	47,238	13,444	14,632	100,899
1956	100,899	42,873	14,588	16,565	112,619
1957 [4]	114,166	38,506	17,344	24,466	110,862
1958	110,862	34,485	20,255	16,278	108,814
1959	108,814	37,894	21,067	18,942	106,699
1960	106,699	33,939	16,656	21,019	102,963
1961	102,963	33,446	17,251	18,407	100,751
1962	100,751	36,994	16,477	18,222	103,046
1963	103,046	36,763	15,559	17,337	106,913
1964	106,913	38,556	16,286	19,347	109,836
1965	109,836	41,379	16,201	20,082	114,932
1966	114,932	46,120	16,352	22,507	122,193
1967	122,193	35,663	16,144	20,336	121,376
	Metalworking trades				
1952	14,645	5,553	2,149	2,552	15,497
1953	15,497	9,143	2,210	3,292	19,138
1954	19,138	6,352	3,641	3,418	18,431
1955	18,431	7,797	3,617	2,176	20,435
1956	20,435	8,058	4,253	2,622	21,618
1957	21,618	8,289	4,740	4,740	20,427
1958	20,427	3,400	2,541	2,357	18,929
1959	18,929	5,789	3,537	2,439	18,742
1960 [5]	24,898	7,846	4,986	3,963	23,795
1961	23,795	6,819	4,719	3,669	22,226
1962	22,226	8,351	3,611	3,428	23,538
1963	23,538	9,019	3,799	3,927	24,831
1964	24,831	10,704	3,923	3,652	27,960
1965	27,960	14,032	3,770	4,123	34,099
1966	34,099	21,918	4,799	6,461	44,757
1967	44,757	24,137	5,544	8,751	54,599
	Printing trades				
1952	10,069	2,651	2,513	1,527	8,680
1953	8,680	4,064	1,959	1,149	9,636
1954	9,636	3,884	2,093	1,352	10,075
1955	10,075	6,556	1,435	998	14,198
1956	14,198	3,590	1,966	1,326	14,496
1957	14,496	3,679	1,844	2,113	14,218
1958	14,218	2,167	1,953	1,014	13,418
1959	13,418	2,050	1,803	922	12,743
1960	12,743	3,126	1,675	935	13,259
1961	13,259	2,968	2,526	864	12,837
1962	12,837	3,222	2,286	1,005	12,768
1963	12,768	3,108	2,569	1,178	12,129
1964	12,129	2,400	2,267	845	11,417
1965	11,417	2,587	1,565	757	11,682
1966	11,682	3,511	1,692	1,138	12,363
1967	12,363	2,882	1,638	1,963	11,644

[1] Includes voluntary quits, layoffs, discharges, out-of-State transfers, upgrading within certain trades, and suspensions for military service.
[2] Also includes miscellaneous trades, not shown separately.
[3] The difference from the number in training at the end of the previous year reflects revisions in the reporting system.
[4] Includes lathers beginning 1957.
[5] Includes new trades beginning 1960, mainly silversmiths, goldsmiths, coppersmiths, blacksmiths, and airplane mechanics.

Table F–15. Characteristics of Persons Enrolled in the Job Corps, June 1968

[Percent distribution]

Characteristic	June 1968
Total: Number (thousands)	33,013
Percent	100
Sex:	
Male	71
Female	29
Average age (years)	17.5
Male	17.4
Female	18.0
Race:	
White	32
Negro	59
Other	9
Years of school completed: Average	9.0
Male	8.8
Female	9.8
Percent	100
6 years or less	7
7 years	10
8 years	21
9 years	25
10 years	18
11 years	8
12 years	12
Reading level: Average grade	5.2
Male	4.8
Female	6.2
Percent	100
1st grade	6
2nd grade	10
3rd grade	13
4th grade	20
5th grade	18
6th grade	16
7th grade	9
8th grade	4
9th grade and over	5

Characteristic	June 1968
Mathematics level: Average grade	5.3
Male	5.1
Female	5.9
Percent	100
1st grade	3
2nd grade	11
3rd grade	10
4th grade	17
5th grade	24
6th grade	20
7th grade	10
8th grade	4
9th grade and over	3
Percent employed full or part time pre-Job Corps	44
Percent asked to leave school	64
Family pattern: Percent with—	
Broken home	60
Head of household unemployed	63
Family on relief	27
Substandard housing	60
Both parents less than 8th-grade education	49
Percent eligible for draft who failed test	63
Educational reasons	28
Physical reasons	22
Other	13
Home residence (population):	
Rural (less than 2,500)	25
Small-moderate (2,500–250,000)	47
Metropolitan area (over 250,000)	28
Previous behavior:	
No previous record	67
Minor antisocial behavior	25
One serious conviction	8

SOURCE: Office of Economic Opportunity.

Table F–16. Total Job Corps Enrollees Since Inception January 1965–June 1968, Enrollees June 1968, and Dollars Spent Fiscal Year 1968, by State

State	Total enrollees, January 1965–June 1968	Enrollees, June 1968	Dollars spent, FY 1968 (thousands)
United States [1]	194,215	33,013	$245,129
Alabama	6,568	1,522	1,318
Alaska	308	75	36
Arizona	2,444	364	5,366
Arkansas	4,660	839	1,993
California	16,336	1,959	23,562
Colorado	2,648	279	1,640
Connecticut	955	121	156
Delaware	586	82	71
District of Columbia	1,468	211	811
Florida	8,202	1,589	1,527
Georgia	8,448	1,889	1,594
Hawaii	1,338	340	1,322
Idaho	584	69	3,482
Illinois	4,832	539	3,463
Indiana	2,198	280	9,613
Iowa	1,458	135	5,495
Kansas	1,607	201	95
Kentucky	4,919	477	14,443
Louisiana	8,865	2,373	2,018
Maine	920	69	7,598
Maryland	3,878	682	1,113
Massachusetts	1,902	158	3,738
Michigan	4,483	686	9,075
Minnesota	1,321	82	3,213
Mississippi	6,611	1,849	1,483
Missouri	4,551	535	8,149
Montana	928	105	2,854
Nebraska	907	93	9,937
Nevada	528	52	908
New Hampshire	337	35	53
New Jersey	3,544	443	14,883
New Mexico	2,032	309	7,195
New York	11,536	1,520	4,647
North Carolina	5,359	1,514	3,369
North Dakota	623	21	1,450
Ohio	5,846	760	4,318
Oklahoma	3,754	429	5,638
Oregon	1,874	172	9,469
Pennsylvania	5,982	982	4,975
Puerto Rico	1,710	742	1,519
Rhode Island	281	21	37
South Carolina	5,896	1,427	1,178
South Dakota	731	70	769
Tennessee	4,915	690	2,173
Texas	17,429	3,282	21,088
Utah	617	41	10,097
Vermont	235	10	452
Virginia	8,423	1,841	3,058
Washington	2,575	229	8,212
West Virginia	4,154	373	6,281
Wisconsin	1,536	173	7,240
Wyoming	383	29	954

[1] Includes data for the Virgin Islands, not shown separately.

SOURCE: Office of Economic Opportunity.

Table F–17. Enrollments in Federally Aided Vocational-Technical Education, by Type of Program, Fiscal Years 1964–67

Program	Number (thousands)				Percent distribution [1]			
	FY 1967	FY 1966	FY 1965	FY 1964	FY 1967	FY 1966	FY 1965	FY 1964
Total	7,048	6,070	5,431	4,566	100.0	100.0	100.0	100.0
Secondary	3,533	3,048	2,819	2,141	50.1	50.2	51.9	46.9
Postsecondary	500	442	207	171	7.1	7.3	3.8	3.7
Adult and special needs [2]	3,015	2,580	2,404	2,255	42.8	42.5	44.3	49.4
Agriculture	935	907	888	861	13.3	14.9	16.3	18.8
Secondary	509	510	517	502	7.2	8.4	9.5	11.0
Postsecondary	8	6	2	----	.1	.1	[3]	----
Adult and special needs	418	391	369	359	5.9	6.4	6.8	7.9
Distributive	481	420	333	334	6.8	6.9	6.1	7.3
Secondary	151	102	76	55	2.1	1.7	1.4	1.2
Postsecondary	21	16	6	3	.3	.3	.1	.1
Adult and special needs	309	303	251	276	4.4	5.0	4.6	6.1
Health	115	84	67	59	1.6	1.4	1.2	1.3
Secondary	17	10	9	5	.2	.2	.2	.1
Postsecondary	54	36	21	41	.8	.6	.4	.9
Adult and special needs	44	37	37	12	.6	.6	.7	.3
Home economics	2,187	1,898	2,099	2,022	31.0	31.3	38.6	44.3
Secondary	1,475	1,280	1,443	1,308	20.9	21.1	26.6	28.7
Postsecondary	4	3	2	2	[3]	[3]	[3]	[3]
Adult and special needs	708	615	654	712	10.0	10.1	12.0	15.6
Office	1,572	1,238	731	----	22.3	20.4	13.5	----
Secondary	985	798	498	----	14.0	13.2	9.2	----
Postsecondary	193	165	44	----	2.7	2.7	.8	----
Adult and special needs	394	274	189	----	5.6	4.5	3.5	----
Technical	266	254	226	221	3.8	4.2	4.2	4.8
Secondary	28	29	24	21	.4	.5	.4	.5
Postsecondary	97	100	72	72	1.4	1.6	1.3	1.6
Adult and special needs	141	125	130	129	2.0	2.1	2.4	2.8
Trades and industry	1,491	1,269	1,088	1,069	21.2	20.9	20.0	23.4
Secondary	368	319	253	249	5.2	5.3	4.7	5.5
Postsecondary	123	116	60	54	1.8	1.9	1.1	1.2
Adult and special needs	1,000	835	775	767	14.2	13.7	14.3	16.8

[1] Based on unrounded data.

[2] Includes 74,000 persons in special needs programs in 1967, 49,000 in 1966, 26,000 in 1965, and none in 1964. In addition to these, 93,000 persons with special needs were enrolled in regular classes in 1967 and 53,000 in 1966.

[3] Less than 0.1 percent.

SOURCE: U.S. Department of Health, Education, and Welfare, Office of Education.

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